

State of Hawaii  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, HI 96813

January 12, 2007

Chairperson and Members  
Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

Subject: REQUEST FOR APPROVAL TO ENTER INTO A CONTRACT WITH  
ENVIRONET INC. FOR A BASELINE ENVIRONMENTAL STUDY OF THE  
WAIANAE COAST, OAHU.

This Board submittal approves a contractual relationship for a baseline environmental study of the Waianae Coast, Oahu.

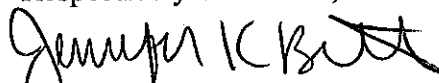
BACKGROUND:

Through Act 6, Special Session Laws of Hawaii 2005, the legislature mandated DLNR to prepare a baseline environmental study of the area from Kalaeloa Point to Kaena Point as an informational document to be used to establish the boundaries of an ocean recreation management area and to draft recreational management area rules. The completion of a baseline environmental study is a prerequisite to the establishment of the boundaries of an ORMA and the adoption of specific ORMA rules. Act 314 of the 2006 Legislative Session appropriated \$120,000 to fund the study.

CONTRACT PROVISIONS: The Division of Boating and Ocean Recreation (DOBOR) issued and published on the State Procurement Office website a Request for Proposals to comply with its Legislative mandate on October 6, 2006. Proposals were opened on November 6, 2006 and upon review of the proposals submitted, Environet Inc. was selected as the consultant for this project on November 17, 2006 with an estimated price of \$118,824.03. Upon approval by the Board, the Division will submit the contract for review and approval as to form by the Attorney General, and process the document for signature by the Chairperson.

RECOMMENDATION: That the Board authorize the Chairperson to negotiate and execute a Contract for Goods and Services in the estimated amount of \$118,824.03 with Environet Inc., subject to availability of funds and review and approval as to form by the Attorney General's Office.

Respectively Submitted,

  
Jennifer K. Bethel  
Project Coordinator

  
APPROVED FOR SUBMITTAL:

PETER T. YOUNG, Chairperson  
Board of Land and Natural Resources

ITEM J-1



**STATE OF HAWAII**  
**CONTRACT FOR GOODS OR SERVICES**  
**BASED UPON**  
**COMPETITIVE SEALED PROPOSALS**

This Contract, executed on the respective dates indicated below, is effective as of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_ Department of Land and Natural Resources \_\_\_\_\_,  
(Insert name of state department, agency, board or commission)  
State of Hawaii ("STATE"), by its \_\_\_\_\_ Chairperson \_\_\_\_\_,  
(Insert title of person signing for State)  
(hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),  
whose address is \_\_\_\_\_ Department of Land and Natural Resources P.O. Box 621 Honolulu, HI 96809 \_\_\_\_\_  
\_\_\_\_\_ and Environet, Inc. \_\_\_\_\_  
("CONTRACTOR"), a \_\_\_\_\_ Corporation \_\_\_\_\_  
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)  
under the laws of the State of \_\_\_\_\_ Hawaii \_\_\_\_\_, whose business address and federal  
and state taxpayer identification numbers are as follows: \_\_\_\_\_ Environet Inc.; 2850 Pa'a Street, Suite 212 \_\_\_\_\_  
Honolulu, HI 96819; Federal ID No. 99-0324036 \_\_\_\_\_

**RECITALS**

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services or both.

B. The STATE has issued a request for competitive sealed proposals, and has received and reviewed proposals submitted in response to the request.

C. The solicitation for proposals and the selection of the CONTRACTOR were made in accordance with section 103D-303, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 6, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the responsible and responsive offeror whose proposal is the most advantageous for the STATE, taking into consideration price and the evaluation factors set forth in the request.

E. Pursuant to \_\_\_\_\_ HRS section 171-6 \_\_\_\_\_, the STATE  
(Legal authority to enter into this Contract)  
is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) G-10-311-C-7180 \_\_\_\_\_

(Identify state sources)

or (2) N/A \_\_\_\_\_

(Identify federal sources)

or both, in the following amounts: State \$ \_\_\_\_\_ \$118,824.03

Federal \$ \_\_\_\_\_ -0-

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the request for competitive sealed proposals number RFP-10-06 ("RFP") and the CONTRACTOR'S accepted proposal ("Proposal"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied

or services performed, or both, under this Contract in a total amount not to exceed  
ONE HUNDRED EIGHTEEN THOUSAND EIGHT HUNDRED AND TWENTY FOUR  
AND 03/100 DOLLARS

(\$ 118,824.03 ), including approved costs incurred and taxes, at the time and in the manner set forth in the RFP and CONTRACTOR'S Proposal.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the RFP, including all attachments and addenda; and (3) the Proposal.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of  
N/A DOLLARS  
(\$ \_\_\_\_\_) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

#### STATE

(Signature)

Peter T. Young

(Print Name)

Chairperson, Department of Land and Natural Resources

(Print Title)

(Date)

#### CONTRACTOR

#### CORPORATE SEAL

(If available)

Environet, Inc.

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

#### APPROVED AS TO FORM:

Deputy Attorney General

\* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ Hawaii \_\_\_\_\_ )  
\_\_\_\_\_) SS.  
\_\_\_\_\_ COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ before me appeared  
\_\_\_\_\_ and \_\_\_\_\_, to me  
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are  
\_\_\_\_\_ and \_\_\_\_\_ of  
\_\_\_\_\_ Environet Inc., the  
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said  
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said  
instrument as the free act and deed of the CONTRACTOR.

(Notary Seal)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Notary Public, State of \_\_\_\_\_

My commission expires: \_\_\_\_\_



## STATE OF HAWAII

# SCOPE OF SERVICES

The Contractor agrees to perform the following scope of services in the completion of a Baseline Environmental Study of the Waianae Coast from Kalaeloa to Kaena Point over a period of nine (9) months commencing from the official date on the Notice to Proceed all in strict accordance with the terms and conditions of this Agreement.

1. Review and become familiar with Act 6, Special Session Laws of Hawaii 2005.
2. Prepare and submit a final work plan for preparation of the plan, methodology, detailed schedule and budget that specify the process and methodology for completing the baseline study within 30 days of the effective date of the contract.
3. Meet and coordinate with DLNR staff in the drafting of the baseline study.
4. Prepare and submit a first draft of the baseline study to the STATE for review and comment within 7 months of the effective date of the contract. Act 6 mandates that the department prepare a baseline environmental study as an informational document to be used for the preparation of draft ORMA rules. Act 6 specifically addresses the content of the baseline study. At a minimum the baseline study must include the following:
  - a. A summary sheet with a concise description of the following:
    - i. Significant beneficial and adverse impacts of ocean use activities in the area from Kalaeloa point to Kaena point (including cumulative impacts and secondary impacts);
    - ii. Proposed mitigation measures;
    - iii. Alternatives considered;
    - iv. Unresolved issues; and
    - v. Compatibility with land use plans and policies, and listing of permits or approvals.
  - b. A separate and distinct section that includes a statement of purpose and need for the designation of an ocean recreation management area.
  - c. The following information, to the extent necessary for evaluation and review of the cultural, environmental, social, and economic impacts:
    - i. A detailed map of the area from Kalaeloa point to Kaena point;
    - ii. A statement of objectives;
    - iii. A general description of the area's technical, economic, social, and environmental characteristics;
    - iv. Public funds or lands to be used for the designation;
    - v. Phasing and timing of the designation;
    - vi. A summary of technical data, diagrams, and other information necessary to permit an evaluation of potential environmental impact by government agencies and the public; and
    - vii. A historic perspective.



## STATE OF HAWAII

### SCOPE OF SERVICES

- d. The following restrictions or limitations on ocean use or private recreational activities, set forth in detail:
  - i. Sub-areas within any proposed ocean recreation management area where certain types of ocean use activities may be restricted or permitted;
  - ii. The number of permits, by permit type and vessel and passenger capacity, that may be issued for different types of ocean use activities;
  - iii. The months, days, and times that certain types of ocean use activities may be curtailed or prohibited; and
  - iv. Any other restrictions or limitations deemed appropriate.
- e. A procedure for the resolution of user conflicts between commercial ocean use activities and private recreational use of any ocean recreation management area.
- f. A rigorous exploration and objective evaluation of the environmental impacts of alternative actions. Particular attention shall be given to alternatives that might enhance environmental quality or avoid, reduce, or minimize some or all of the adverse environmental effects, costs, and risks and recreational and commercial use conflicts. Examples of alternatives include:
  - i. No action;
  - ii. Requiring actions of a significantly different nature that would provide similar benefits with different environmental effects;
  - iii. Those related to different boundaries or details of the proposed area that present different environmental effects; and
  - iv. Postponing the designation of the area pending further study.
  - v. In each case, the analysis shall be sufficiently detailed to allow the comparative evaluation of the environmental benefits, costs, and risks of the proposed area designation and each reasonable alternative.
- g. A description of setting of any ocean recreation management area, including a description of the environment in the vicinity of the area, as it exists before the designation of the area, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the area (including natural or human-made resources of historic, archaeological, or aesthetic significance). Specific reference to related land-based projects, public and private, existent or planned in the region shall also be included for purposes of examining the possible overall cumulative effects of the designation of the area. The report shall identify, where appropriate, population and growth characteristics of the affected region and any population and growth assumptions used to justify the action and determine secondary population and growth effects resulting from the proposed designation and its alternatives. In any event, it is essential that the sources of data used to identify, qualify, or evaluate any and all cultural, environmental, societal, and economic consequences be expressly noted.
- h. A statement of the relationship of the proposed designation of the area to land use plans, policies, and controls for the affected area. Discussion of how the proposed designation may conform or conflict with objectives and specific terms of approved or proposed land



## STATE OF HAWAII

### SCOPE OF SERVICES

use plans, policies, and controls, if any, for the area affected shall be included. Where a conflict or inconsistency exists, the baseline environmental study shall describe the extent to which the report has reconciled its proposed designation with the plan, policy, or control and the reasons why the report has decided to proceed, notwithstanding the absence of full reconciliation.

- i. In a separate and distinct section, a description of the relationship between local short-term uses of the marine environment and the maintenance and enhancement of long-term productivity of the marine environment. The extent to which the proposed action involves trade-offs among short-term and long-term gains and losses shall be discussed. The discussion shall include the extent to which the proposed designation forecloses future options, narrows the range of beneficial uses of the environment, or poses long-term risks to health or safety. In this context, short-term and long-term do not necessarily refer to any fixed time periods, but shall be viewed in terms of the environmentally significant consequences of the proposed action.
- j. A discussion of the resolution of conflicts between recreational use of the area by residents of the area and commercial ocean use activities.
- k. In a separate and distinct section, a description of all irreversible and irretrievable commitments of resources that would be involved in the proposed designation of the ocean recreation management area should it be implemented. Identification of unavoidable effects and the extent to which the action makes use of non-renewable resources as a result of the designation or irreversibly curtails the range of potential uses of the environment shall also be included. The possibility of environmental accidents resulting from any phase of the designation and maintenance of the ocean recreation management area shall also be considered.
- l. All probable adverse environmental effects that cannot be avoided and a statement addressing these problems. Any adverse effects, such as water or air pollution, urban congestion, user conflicts, threats to public health, or other consequences adverse to environmental goals and guidelines established by environmental response laws, coastal zone management laws, pollution control and abatement laws, and environmental policy such as that found in chapters 128D, 205A, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, 342P, and 344, Hawaii Revised Statutes, shall be included, including those effects discussed in other actions of this paragraph that are adverse and unavoidable under the proposed designation and rules. Also, the rationale for proceeding with a proposed designation, notwithstanding unavoidable effects, shall be clearly set forth in this section.
- m. Other interests and considerations of governmental policies that are thought to offset the adverse effects of the proposed designation. The baseline environmental study shall also indicate the extent to which these stated countervailing benefits could be realized by following reasonable alternatives to the proposed designation that would avoid some or all of the adverse environmental effects.



## STATE OF HAWAII

# SCOPE OF SERVICES

- n. Mitigation measures proposed to avoid, minimize, rectify, or reduce impacts and user conflicts, including provision for compensation for losses of cultural, community, historical, archaeological, and fish and wildlife resources, including the acquisition of land, waters, and interests therein. Description of any mitigation measures to reduce significant, unavoidable, or adverse effects to insignificant levels, and the basis for considering these levels acceptable shall be included. Where a particular mitigation measure has been chosen from among several alternatives, the measures shall be discussed and reasons given for the choice made. Included, where possible and appropriate, shall be specific reference to the timing of each step proposed to be taken in the mitigation process, what performance bonds, if any, may be posted, and what other provisions are proposed to ensure that the mitigation measures will, in fact, be taken.
  - o. A separate and distinct section that summarizes unresolved issues and contains either a discussion of how the issues will be resolved prior to commencement of the designation or what overriding reasons there are for proceeding without resolving the problems.
  - p. A separate and distinct section that contains a list identifying all governmental agencies, other organizations, and private individuals consulted in the preparation of the baseline environmental study and the identity of the persons, firms, or agency assisting in the preparation of the baseline environmental study, by contract or other authorization, shall be disclosed.
  - q. A separate and distinct section that contains reproductions of all substantive comments and responses made during the consultation process. A list of those persons or agencies that were consulted and had no comment shall be included in the baseline environmental study.
- 5. Prepare and submit a second draft of the baseline study to the STATE that addresses all comments and issues raised by the STATE prior to submission for public review within 8 months of the effective date of the contract.
  - 6. Schedule, reserve facilities for and conduct public meetings to attain public review and comments on the baseline study. The public review period shall be a minimum 30-day public comment period, with adequate public notice and documentation.
  - 7. Prepare and submit a final baseline study, in both hard copy and electronic version in Microsoft Word format, that incorporates comments from public meetings and other outreach as deemed appropriate by the STATE within 9 months of the effective date of the contract.
  - 8. Submit and present the final baseline study to the Board of Land and Natural Resources, for final approval at one of the Board's regularly scheduled meetings.
  - 9. Other mutually agreed upon work deemed necessary to the preparation of the baseline study.





**STATE OF HAWAII**

**SCOPE OF SERVICES**

It is understood that this Contract includes as a part hereof, RFP 10-06 "Request for Proposals for a Baseline Environmental Study of the Waianae Coast" (Exhibit 1) and Environet, Inc.'s Waianae Coast Baseline Environment Study Scope of Work, Time Schedule and Compensation (Exhibit 2).



STATE OF HAWAII

**COMPENSATION AND PAYMENT SCHEDULE**

1. Compensation for the services to be provided by the CONTRACTOR under this CONTRACT shall be the sum of money not to exceed ONE HUNDRED EIGHTEEN THOUSAND EIGHT HUNDRED TWENTY FOUR AND 03/100 DOLLARS (118,824.03), TAX INCLUSIVE. Payment shall be made by the STATE to the CONTRACTOR in accordance with paragraph 17 of the "General Conditions," and shall be subject to the following provisions:
  - a. SEVENTEEN THOUSAND EIGHT HUNDRED TWENTY THREE AND 60/100 DOLLARS (\$17,823.60) upon STATE approval of Progress Report I as described under this Contract.
  - b. TWENTY NINE THOUSAND SEVEN HUNDRED AND SIX AND 01/100 DOLLARS (\$29,706.01) upon STATE approval of Progress Report II as described under this Contract.
  - c. TWENTY NINE THOUSAND SEVEN HUNDRED AND SIX AND 01/100 DOLLARS (\$29,706.01) upon STATE approval of Progress Report III as described under this Contract.
  - d. TWENTY NINE THOUSAND SEVEN HUNDRED AND SIX AND 01/100 DOLLARS (\$29,706.01) upon STATE approval of Progress Report IV as described under this Contract.
  - e. ELEVEN THOUSAND EIGHT HUNDRE AND EIGHTY TWO AND 40/100 DOLLARS (\$11,882.40) upon STATE approval of the Final Study described under this Contract and satisfactory completion of all services in accordance with this Contract as determined by STATE.
2. Payment shall be made upon presentation of original invoices to the address below. The invoices shall be supported by statements submitted by the CONTRACTOR, specifying to the satisfaction of the STATE the charges included within the invoice amount.

Department of Land and Natural Resource  
Fiscal Office – Attn: Joseph Thambi  
P.O. 621  
Honolulu, HI 96809
3. Payment shall be made only after the STATE has determined that the work has been satisfactory performed in conformance with this Contract and that the CONTRACTOR is entitled to receive the amount requisitioned under the terms of this CONTRACT.
4. Progress payments shall not be constructed as the STATE's final acceptance of the work required under this Contract. The CONTRACTOR shall perform all of the above requirements for the not to exceed amount specified.
5. Any reasonable modification for the scope of work that does not materially add to the cost of the work shall be performed without extra compensation to the CONTRACTOR.



STATE OF HAWAII

**COMPENSATION AND PAYMENT SCHEDULE**

6. In the event of delays in performance, no additional compensation will be allowed to the CONTRACTOR. The CONTRACTOR shall inform the STATE of any delays.
7. All travel incurred by the CONTRACTOR in carrying out this Contract must be paid by the CONTRACTOR.



STATE OF HAWAII

**TIME OF PERFORMANCE**

The CONTRACTOR agrees to perform all work within nine (9) months commencing from the official date on the Notice to Proceed, all in strict accordance with the terms and conditions of this Agreement. It is understood that this agreement includes as part hereof, RFP 10-06 "Request for Proposals for a Baseline Environmental Study of the Waianae Coast" (Exhibit 1) and Environet, Inc.'s Waianae Coast Baseline Environment Study Scope of Work, Time Schedule and Compensation (Exhibit 2).



## STATE OF HAWAII

**CERTIFICATE OF EXEMPTION  
FROM CIVIL SERVICE****1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development ("DHRD").\***

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

Peter T. Young

(Print Name)

Chair, Dept. of Land & Natural Resources

(Print Title)

(Date)

\* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

**NOTE:** Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

**2. By the Director of DHRD, State of Hawaii.**

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Print Name)

(Print Title, if designee of the Director of DHRD)

(Date)



**STATE OF HAWAII**

**CONTRACTOR'S**

**STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of \_\_\_\_\_, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR ☐ is ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

**CONTRACTOR**

By \_\_\_\_\_  
(Signature)

Print Name \_\_\_\_\_

Print Title \_\_\_\_\_

Name of Contractor \_\_\_\_\_

Date \_\_\_\_\_

\* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

## GENERAL CONDITIONS

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## GENERAL CONDITIONS

1. Coordination of Services by the STATE. The head of the purchasing agency ("HOPA") (which term includes the designee of the HOPA) shall coordinate the services to be provided by the CONTRACTOR in order to complete the performance required in the Contract. The CONTRACTOR shall maintain communications with HOPA at all stages of the CONTRACTOR'S work, and submit to HOPA for resolution any questions which may arise as to the performance of this Contract. "Purchasing agency" as used in these General Conditions means and includes any governmental body which is authorized under chapter 103D, HRS, or its implementing rules and procedures, or by way of delegation, to enter into contracts for the procurement of goods or services or both.
2. Relationship of Parties: Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
  - a. In the performance of services required under this Contract, the CONTRACTOR is an "independent contractor," with the authority and responsibility to control and direct the performance and details of the work and services required under this Contract; however, the STATE shall have a general right to inspect work in progress to determine whether, in the STATE'S opinion, the services are being performed by the CONTRACTOR in compliance with this Contract. Unless otherwise provided by special condition, it is understood that the STATE does not agree to use the CONTRACTOR exclusively, and that the CONTRACTOR is free to contract to provide services to other individuals or entities while under contract with the STATE.
  - b. The CONTRACTOR and the CONTRACTOR'S employees and agents are not by reason of this Contract, agents or employees of the State for any purpose, and the CONTRACTOR and the CONTRACTOR'S employees and agents shall not be entitled to claim or receive from the State any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.
  - c. The CONTRACTOR shall be responsible for the accuracy, completeness, and adequacy of the CONTRACTOR'S performance under this Contract. Furthermore, the CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability to the CONTRACTOR'S employees and agents, and to any individual not a party to this Contract, for all loss, damage, or injury caused by the CONTRACTOR, or the CONTRACTOR'S employees or agents in the course of their employment.
  - d. The CONTRACTOR shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the CONTRACTOR by reason of this Contract, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The CONTRACTOR also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Contract.
  - e. The CONTRACTOR shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The CONTRACTOR shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under state law against the CONTRACTOR have been paid and submit the same to the STATE prior to commencing any performance under this Contract. The CONTRACTOR shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, HRS, and paragraph 17 of these General Conditions.
  - f. The CONTRACTOR is responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR'S employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.



3. Personnel Requirements.

- a. The CONTRACTOR shall secure, at the CONTRACTOR'S own expense, all personnel required to perform this Contract.
- b. The CONTRACTOR shall ensure that the CONTRACTOR'S employees or agents are experienced and fully qualified to engage in the activities and perform the services required under this Contract, and that all applicable licensing and operating requirements imposed or required under federal, state, or county law, and all applicable accreditation and other standards of quality generally accepted in the field of the activities of such employees and agents are complied with and satisfied.

4. Nondiscrimination. No person performing work under this Contract, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

5. Conflicts of Interest. The CONTRACTOR represents that neither the CONTRACTOR, nor any employee or agent of the CONTRACTOR, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the CONTRACTOR'S performance under this Contract.

6. Subcontracts and Assignments. The CONTRACTOR shall not assign or subcontract any of the CONTRACTOR'S duties, obligations, or interests under this Contract and no such assignment or subcontract shall be effective unless (i) the CONTRACTOR obtains the prior written consent of the STATE and (ii) the CONTRACTOR'S assignee or subcontractor submits to the STATE a tax clearance certificate from the Director of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under state law against the CONTRACTOR'S assignee or subcontractor have been paid. Additionally, no assignment by the CONTRACTOR of the CONTRACTOR'S right to compensation under this Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in section 40-58, HRS.

a. Recognition of a successor in interest. When in the best interest of the State, a successor in interest may be recognized in an assignment contract in which the STATE, the CONTRACTOR and the assignee or transferee (hereinafter referred to as the "Assignee") agree that:

- (1) The Assignee assumes all of the CONTRACTOR'S obligations;
- (2) The CONTRACTOR remains liable for all obligations under this Contract but waives all rights under this Contract as against the STATE; and
- (3) The CONTRACTOR shall continue to furnish, and the Assignee shall also furnish, all required bonds.

b. Change of name. When the CONTRACTOR asks to change the name in which it holds this Contract with the STATE, the procurement officer of the purchasing agency (hereinafter referred to as the "Agency procurement officer") shall, upon receipt of a document acceptable or satisfactory to the Agency procurement officer indicating such change of name (for example, an amendment to the CONTRACTOR'S articles of incorporation), enter into an amendment to this Contract with the CONTRACTOR to effect such a change of name. The amendment to this Contract changing the CONTRACTOR'S name shall specifically indicate that no other terms and conditions of this Contract are thereby changed.

c. Reports. All assignment contracts and amendments to this Contract effecting changes of the CONTRACTOR'S name or novations hereunder shall be reported to the chief procurement officer (CPO) as defined in section 103D-203(a), HRS, within thirty days of the date that the assignment contract or amendment becomes effective.

d. Actions affecting more than one purchasing agency. Notwithstanding the provisions of subparagraphs 6a through 6c herein, when the CONTRACTOR holds contracts with more than one purchasing

agency of the State, the assignment contracts and the novation and change of name amendments herein authorized shall be processed only through the CPO's office.

7. Indemnification and Defense. The CONTRACTOR shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents, or subcontractors under this Contract. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Contract.
8. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the CONTRACTOR in connection with this Contract, the CONTRACTOR shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.
9. Liquidated Damages. When the CONTRACTOR is given notice of delay or nonperformance as specified in paragraph 13 (Termination for Default) and fails to cure in the time specified, it is agreed the CONTRACTOR shall pay to the STATE the amount, if any, set forth in this Contract per calendar day from the date set for cure until either (i) the STATE reasonably obtains similar goods or services, or both, if the CONTRACTOR is terminated for default, or (ii) until the CONTRACTOR provides the goods or services, or both, if the CONTRACTOR is not terminated for default. To the extent that the CONTRACTOR'S delay or nonperformance is excused under paragraph 13d (Excuse for Nonperformance or Delay Performance), liquidated damages shall not be assessable against the CONTRACTOR. The CONTRACTOR remains liable for damages caused other than by delay.
10. STATE'S Right of Offset. The STATE may offset against any monies or other obligations the STATE owes to the CONTRACTOR under this Contract, any amounts owed to the State of Hawaii by the CONTRACTOR under this Contract or any other contracts, or pursuant to any law or other obligation owed to the State of Hawaii by the CONTRACTOR, including, without limitation, the payment of any taxes or levies of any kind or nature. The STATE will notify the CONTRACTOR in writing of any offset and the nature of such offset. For purposes of this paragraph, amounts owed to the State of Hawaii shall not include debts or obligations which have been liquidated, agreed to by the CONTRACTOR, and are covered by an installment payment or other settlement plan approved by the State of Hawaii, provided, however, that the CONTRACTOR shall be entitled to such exclusion only to the extent that the CONTRACTOR is current with, and not delinquent on, any payments or obligations owed to the State of Hawaii under such payment or other settlement plan.
11. Disputes. Disputes shall be resolved in accordance with section 103D-703, HRS, and chapter 3-126, Hawaii Administrative Rules ("HAR"), as the same may be amended from time to time.
12. Suspension of Contract. The STATE reserves the right at any time and for any reason to suspend this Contract for any reasonable period, upon written notice to the CONTRACTOR in accordance with the provisions herein.
  - a. Order to stop performance. The Agency procurement officer may, by written order to the CONTRACTOR, at any time, and without notice to any surety, require the CONTRACTOR to stop all or any part of the performance called for by this Contract. This order shall be for a specified period not exceeding sixty (60) days after the order is delivered to the CONTRACTOR, unless the parties agree to any further period. Any such order shall be identified specifically as a stop performance order issued pursuant to this section. Stop performance orders shall include, as appropriate: (1) A clear description of the work to be suspended; (2) Instructions as to the issuance of further orders by the CONTRACTOR for material or services; (3) Guidance as to action to be taken on subcontracts; and (4) Other instructions and suggestions to the CONTRACTOR for minimizing costs. Upon receipt of such an order, the CONTRACTOR shall forthwith comply with its terms and suspend all performance under this Contract at the time stated, provided, however, the CONTRACTOR shall take all reasonable steps to minimize the occurrence of costs allocable to the performance covered by the order during the period of performance stoppage. Before the stop performance order expires, or within any further period to which the parties shall have agreed, the Agency procurement officer shall either:
    - (1) Cancel the stop performance order; or

- (2) Terminate the performance covered by such order as provided in the termination for default provision or the termination for convenience provision of this Contract.
- b. Cancellation or expiration of the order. If a stop performance order issued under this section is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, the CONTRACTOR shall have the right to resume performance. An appropriate adjustment shall be made in the delivery schedule or contract price, or both, and the Contract shall be modified in writing accordingly, if:
  - (1) The stop performance order results in an increase in the time required for, or in the CONTRACTOR'S cost properly allocable to, the performance of any part of this Contract; and
  - (2) The CONTRACTOR asserts a claim for such an adjustment within thirty (30) days after the end of the period of performance stoppage; provided that, if the Agency procurement officer decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract.
- c. Termination of stopped performance. If a stop performance order is not cancelled and the performance covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop performance order shall be allowable by adjustment or otherwise.
- d. Adjustment of price. Any adjustment in contract price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

13. Termination for Default.

- a. Default. If the CONTRACTOR refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure its completion within the time specified in this Contract, or any extension thereof, otherwise fails to timely satisfy the Contract provisions, or commits any other substantial breach of this Contract, the Agency procurement officer may notify the CONTRACTOR in writing of the delay or non-performance and if not cured in ten (10) days or any longer time specified in writing by the Agency procurement officer, such officer may terminate the CONTRACTOR'S right to proceed with the Contract or such part of the Contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part, the Agency procurement officer may procure similar goods or services in a manner and upon the terms deemed appropriate by the Agency procurement officer. The CONTRACTOR shall continue performance of the Contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services.
- b. CONTRACTOR'S duties. Notwithstanding termination of the Contract and subject to any directions from the Agency procurement officer, the CONTRACTOR shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest.
- c. Compensation. Payment for completed goods and services delivered and accepted by the STATE shall be at the price set forth in the Contract. Payment for the protection and preservation of property shall be in an amount agreed upon by the CONTRACTOR and the Agency procurement officer. If the parties fail to agree, the Agency procurement officer shall set an amount subject to the CONTRACTOR'S rights under chapter 3-126, HAR. The STATE may withhold from amounts due the CONTRACTOR such sums as the Agency procurement officer deems to be necessary to protect the STATE against loss because of outstanding liens or claims and to reimburse the STATE for the excess costs expected to be incurred by the STATE in procuring similar goods and services.
- d. Excuse for nonperformance or delayed performance. The CONTRACTOR shall not be in default by reason of any failure in performance of this Contract in accordance with its terms, including any failure by the CONTRACTOR to make progress in the prosecution of the performance hereunder which endangers such performance, if the CONTRACTOR has notified the Agency procurement

officer within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of a public enemy; acts of the State and any other governmental body in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform is caused by the failure of a subcontractor to perform or to make progress, and if such failure arises out of causes similar to those set forth above, the CONTRACTOR shall not be deemed to be in default, unless the goods and services to be furnished by the subcontractor were reasonably obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the requirements of the Contract. Upon request of the CONTRACTOR, the Agency procurement officer shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the CONTRACTOR'S progress and performance would have met the terms of the Contract, the delivery schedule shall be revised accordingly, subject to the rights of the STATE under this Contract. As used in this paragraph, the term "subcontractor" means subcontractor at any tier.

- e. Erroneous termination for default. If, after notice of termination of the CONTRACTOR'S right to proceed under this paragraph, it is determined for any reason that the CONTRACTOR was not in default under this paragraph, or that the delay was excusable under the provisions of subparagraph 13d, "Excuse for nonperformance or delayed performance," the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to paragraph 14.
- f. Additional rights and remedies. The rights and remedies provided in this paragraph are in addition to any other rights and remedies provided by law or under this Contract.

#### 14. Termination for Convenience.

- a. Termination. The Agency procurement officer may, when the interests of the STATE so require, terminate this Contract in whole or in part, for the convenience of the STATE. The Agency procurement officer shall give written notice of the termination to the CONTRACTOR specifying the part of the Contract terminated and when termination becomes effective.
- b. CONTRACTOR'S obligations. The CONTRACTOR shall incur no further obligations in connection with the terminated performance and on the date(s) set in the notice of termination the CONTRACTOR will stop performance to the extent specified. The CONTRACTOR shall also terminate outstanding orders and subcontracts as they relate to the terminated performance. The CONTRACTOR shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated performance subject to the STATE'S approval. The Agency procurement officer may direct the CONTRACTOR to assign the CONTRACTOR'S right, title, and interest under terminated orders or subcontracts to the STATE. The CONTRACTOR must still complete the performance not terminated by the notice of termination and may incur obligations as necessary to do so.
- c. Right to goods and work product. The Agency procurement officer may require the CONTRACTOR to transfer title and deliver to the STATE in the manner and to the extent directed by the Agency procurement officer:
  - (1) Any completed goods or work product; and
  - (2) The partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the CONTRACTOR has specifically produced or specially acquired for the performance of the terminated part of this Contract.

The CONTRACTOR shall, upon direction of the Agency procurement officer, protect and preserve property in the possession of the CONTRACTOR in which the STATE has an interest. If the Agency procurement officer does not exercise this right, the CONTRACTOR shall use best efforts to sell such goods and manufacturing materials. Use of this paragraph in no way implies that the STATE has breached the Contract by exercise of the termination for convenience provision.

d. Compensation.

- (1) The CONTRACTOR shall submit a termination claim specifying the amounts due because of the termination for convenience together with the cost or pricing data, submitted to the extent required by chapter 3-122, HAR, bearing on such claim. If the CONTRACTOR fails to file a termination claim within one year from the effective date of termination, the Agency procurement officer may pay the CONTRACTOR, if at all, an amount set in accordance with subparagraph 14d(3) below.
- (2) The Agency procurement officer and the CONTRACTOR may agree to a settlement provided the CONTRACTOR has filed a termination claim supported by cost or pricing data submitted as required and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by the STATE, the proceeds of any sales of goods and manufacturing materials under subparagraph 14c, and the Contract price of the performance not terminated.
- (3) Absent complete agreement under subparagraph 14d(2) the Agency procurement officer shall pay the CONTRACTOR the following amounts, provided payments agreed to under subparagraph 14d(2) shall not duplicate payments under this subparagraph for the following:
  - (A) Contract prices for goods or services accepted under the Contract;
  - (B) Costs incurred in preparing to perform and performing the terminated portion of the performance plus a fair and reasonable profit on such portion of the performance, such profit shall not include anticipatory profit or consequential damages, less amounts paid or to be paid for accepted goods or services; provided, however, that if it appears that the CONTRACTOR would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
  - (C) Costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to subparagraph 14b. These costs must not include costs paid in accordance with subparagraph 14d(3)(B);
  - (D) The reasonable settlement costs of the CONTRACTOR, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract and for the termination of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the CONTRACTOR under this subparagraph shall not exceed the total Contract price plus the reasonable settlement costs of the CONTRACTOR reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under subparagraph 14d(2), and the contract price of performance not terminated.
- (4) Costs claimed, agreed to, or established under subparagraphs 14d(2) and 14d(3) shall be in accordance with Chapter 3-123 (Cost Principles) of the Procurement Rules.

15. Claims Based on the Agency Procurement Officer's Actions or Omissions.

- a. Changes in scope. If any action or omission on the part of the Agency procurement officer (which term includes the designee of such officer for purposes of this paragraph 15) requiring performance changes within the scope of the Contract constitutes the basis for a claim by the CONTRACTOR for additional compensation, damages, or an extension of time for completion, the CONTRACTOR shall continue with performance of the Contract in compliance with the directions or orders of such

officials, but by so doing, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

- (1) Written notice required. The CONTRACTOR shall give written notice to the Agency procurement officer:
    - (A) Prior to the commencement of the performance involved, if at that time the CONTRACTOR knows of the occurrence of such action or omission;
    - (B) Within thirty (30) days after the CONTRACTOR knows of the occurrence of such action or omission, if the CONTRACTOR did not have such knowledge prior to the commencement of the performance; or
    - (C) Within such further time as may be allowed by the Agency procurement officer in writing.
  - (2) Notice content. This notice shall state that the CONTRACTOR regards the act or omission as a reason which may entitle the CONTRACTOR to additional compensation, damages, or an extension of time. The Agency procurement officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Agency procurement officer;
  - (3) Basis must be explained. The notice required by subparagraph 15a(1) describes as clearly as practicable at the time the reasons why the CONTRACTOR believes that additional compensation, damages, or an extension of time may be remedies to which the CONTRACTOR is entitled; and
  - (4) Claim must be justified. The CONTRACTOR must maintain and, upon request, make available to the Agency procurement officer within a reasonable time, detailed records to the extent practicable, and other documentation and evidence satisfactory to the STATE, justifying the claimed additional costs or an extension of time in connection with such changes.
- b. CONTRACTOR not excused. Nothing herein contained, however, shall excuse the CONTRACTOR from compliance with any rules or laws precluding any state officers and CONTRACTOR from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the Contract.
  - c. Price adjustment. Any adjustment in the price made pursuant to this paragraph shall be determined in accordance with the price adjustment provision of this Contract.

16. Costs and Expenses. Any reimbursement due the CONTRACTOR for per diem and transportation expenses under this Contract shall be subject to chapter 3-123 (Cost Principles), HAR, and the following guidelines:
- a. Reimbursement for air transportation shall be for actual cost or coach class air fare, whichever is less.
  - b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
  - c. Unless prior written approval of the HOPA is obtained, reimbursement for subsistence allowance (i.e., hotel and meals, etc.) shall not exceed the applicable daily authorized rates for inter-island or out-of-state travel that are set forth in the current Governor's Executive Order authorizing adjustments in salaries and benefits for state officers and employees in the executive branch who are excluded from collective bargaining coverage.

17. Payment Procedures; Final Payment; Tax Clearance.

- a. Original invoices required. All payments under this Contract shall be made only upon submission by the CONTRACTOR of original invoices specifying the amount due and certifying that services requested under the Contract have been performed by the CONTRACTOR according to the Contract.
- b. Subject to available funds. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, HRS. Further, all payments shall be made in accordance with and subject to chapter 40, HRS.
- c. Prompt payment.
  - (1) Any money, other than retainage, paid to the CONTRACTOR shall be disbursed to subcontractors within ten (10) days after receipt of the money in accordance with the terms of the subcontract; provided that the subcontractor has met all the terms and conditions of the subcontract and there are no bona fide disputes; and
  - (2) Upon final payment to the CONTRACTOR, full payment to the subcontractor, including retainage, shall be made within ten (10) days after receipt of the money; provided that there are no bona fide disputes over the subcontractor's performance under the subcontract.
- d. Final payment. Final payment under this Contract shall be subject to sections 103-53 and 103D-328, HRS, which require a tax clearance from the Director of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under state law against the CONTRACTOR have been paid.

18. Federal Funds. If this Contract is payable in whole or in part from federal funds, CONTRACTOR agrees that, as to the portion of the compensation under this Contract to be payable from federal funds, the CONTRACTOR shall be paid only from such funds received from the federal government, and shall not be paid from any other funds. Failure of the STATE to receive anticipated federal funds shall not be considered a breach by the STATE or an excuse for nonperformance by the CONTRACTOR.

19. Modifications of Contract.

- a. In writing. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract permitted by this Contract shall be made by written amendment to this Contract, signed by the CONTRACTOR and the STATE, provided that change orders shall be made in accordance with paragraph 20 herein.
- b. No oral modification. No oral modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract shall be permitted.
- c. Agency procurement officer. By written order, at any time, and without notice to any surety, the Agency procurement officer may unilaterally order of the CONTRACTOR:
  - (A) Changes in the work within the scope of the Contract; and
  - (B) Changes in the time of performance of the Contract that do not alter the scope of the Contract work.
- d. Adjustments of price or time for performance. If any modification increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, an adjustment shall be made and this Contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined, where applicable, in accordance with the price adjustment clause of this Contract or as negotiated.

- e. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if written modification of the Contract is not made prior to final payment under this Contract.
  - f. Claims not barred. In the absence of a written contract modification, nothing in this clause shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under this Contract or for a breach of contract.
  - g. CPO approval. If this is a professional services contract awarded pursuant to section 103D-303 or 103D-304, HRS, any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract which increases the amount payable to the CONTRACTOR by at least \$25,000.00 or ten per cent (10%) of the initial contract price, whichever increase is higher, must receive the prior approval of the CPO.
  - h. Tax clearance. The STATE may, at its discretion, require the CONTRACTOR to submit to the STATE, prior to the STATE'S approval of any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Contract, a tax clearance from the Director of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under state law against the CONTRACTOR have been paid.
  - i. Sole source contracts. Amendments to sole source contracts that would change the original scope of the Contract may only be made with the approval of the CPO. Annual renewal of a sole source contract for services should not be submitted as an amendment.
20. Change Order. The Agency procurement officer may, by a written order signed only by the STATE, at any time, and without notice to any surety, and subject to all appropriate adjustments, make changes within the general scope of this Contract in any one or more of the following:
- (1) Drawings, designs, or specifications, if the goods or services to be furnished are to be specially provided to the STATE in accordance therewith;
  - (2) Method of delivery; or
  - (3) Place of delivery.
- a. Adjustments of price or time for performance. If any change order increases or decreases the CONTRACTOR'S cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed by the order, an adjustment shall be made and the Contract modified in writing accordingly. Any adjustment in the Contract price made pursuant to this provision shall be determined in accordance with the price adjustment provision of this Contract. Failure of the parties to agree to an adjustment shall not excuse the CONTRACTOR from proceeding with the Contract as changed, provided that the Agency procurement officer promptly and duly makes the provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the CONTRACTOR shall not be deemed to have prejudiced any claim for additional compensation, or any extension of time for completion.
  - b. Time period for claim. Within ten (10) days after receipt of a written change order under subparagraph 20a, unless the period is extended by the Agency procurement officer in writing, the CONTRACTOR shall respond with a claim for an adjustment. The requirement for a timely written response by CONTRACTOR cannot be waived and shall be a condition precedent to the assertion of a claim.
  - c. Claim barred after final payment. No claim by the CONTRACTOR for an adjustment hereunder shall be allowed if a written response is not given prior to final payment under this Contract.
  - d. Other claims not barred. In the absence of a change order, nothing in this paragraph 20 shall be deemed to restrict the CONTRACTOR'S right to pursue a claim under the Contract or for breach of contract.



21. Price Adjustment.

- a. Price adjustment. Any adjustment in the contract price pursuant to a provision in this Contract shall be made in one or more of the following ways:
- (1) By agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
  - (2) By unit prices specified in the Contract or subsequently agreed upon;
  - (3) By the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as specified in the Contract or subsequently agreed upon;
  - (4) In such other manner as the parties may mutually agree; or
  - (5) In the absence of agreement between the parties, by a unilateral determination by the Agency procurement officer of the costs attributable to the event or situation covered by the provision, plus appropriate profit or fee, all as computed by the Agency procurement officer in accordance with generally accepted accounting principles and applicable sections of chapters 3-123 and 3-126, HAR.
- b. Submission of cost or pricing data. The CONTRACTOR shall provide cost or pricing data for any price adjustments subject to the provisions of chapter 3-122, HAR.

22. Variation in Quantity for Definite Quantity Contracts. Upon the agreement of the STATE and the CONTRACTOR, the quantity of goods or services, or both, if a definite quantity is specified in this Contract, may be increased by a maximum of ten per cent (10%); provided the unit prices will remain the same except for any price adjustments otherwise applicable; and the Agency procurement officer makes a written determination that such an increase will either be more economical than awarding another contract or that it would not be practical to award another contract.

23. Changes in Cost-Reimbursement Contract. If this Contract is a cost-reimbursement contract, the following provisions shall apply:

- a. The Agency procurement officer may at any time by written order, and without notice to the sureties, if any, make changes within the general scope of the Contract in any one or more of the following:
- (1) Description of performance (Attachment 1);
  - (2) Time of performance (i.e., hours of the day, days of the week, etc.);
  - (3) Place of performance of services;
  - (4) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the STATE in accordance with the drawings, designs, or specifications;
  - (5) Method of shipment or packing of supplies; or
  - (6) Place of delivery.
- b. If any change causes an increase or decrease in the estimated cost of, or the time required for performance of, any part of the performance under this Contract, whether or not changed by the order, or otherwise affects any other terms and conditions of this Contract, the Agency procurement officer shall make an equitable adjustment in the (1) estimated cost, delivery or completion schedule, or both; (2) amount of any fixed fee; and (3) other affected terms and shall modify the Contract accordingly.

- c. The CONTRACTOR must assert the CONTRACTOR'S rights to an adjustment under this provision within thirty (30) days from the day of receipt of the written order. However, if the Agency procurement officer decides that the facts justify it, the Agency procurement officer may receive and act upon a proposal submitted before final payment under the Contract.
- d. Failure to agree to any adjustment shall be a dispute under paragraph 11 of this Contract. However, nothing in this provision shall excuse the CONTRACTOR from proceeding with the Contract as changed.
- e. Notwithstanding the terms and conditions of subparagraphs 23a and 23b, the estimated cost of this Contract and, if this Contract is incrementally funded, the funds allotted for the performance of this Contract, shall not be increased or considered to be increased except by specific written modification of the Contract indicating the new contract estimated cost and, if this contract is incrementally funded, the new amount allotted to the contract.

24. Confidentiality of Material.

- a. All material given to or made available to the CONTRACTOR by virtue of this Contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
- b. All information, data, or other material provided by the CONTRACTOR to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, HRS.

25. Publicity. The CONTRACTOR shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, including the HOPA, the CPO, the Agency procurement officer, or to the services or goods, or both, provided under this Contract, in any of the CONTRACTOR'S brochures, advertisements, or other publicity of the CONTRACTOR. All media contacts with the CONTRACTOR about the subject matter of this Contract shall be referred to the Agency procurement officer.

26. Ownership Rights and Copyright. The STATE shall have complete ownership of all material, both finished and unfinished, which is developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract, and all such material shall be considered "works made for hire." All such material shall be delivered to the STATE upon expiration or termination of this Contract. The STATE, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Contract.

27. Liens and Warranties. Goods provided under this Contract shall be provided free of all liens and provided together with all applicable warranties, or with the warranties described in the Contract documents, whichever are greater.

28. Audit of Books and Records of the CONTRACTOR. The STATE may, at reasonable times and places, audit the books and records of the CONTRACTOR, prospective contractor, subcontractor, or prospective subcontractor which are related to:

- a. The cost or pricing data, and
- b. A state contract, including subcontracts, other than a firm fixed-price contract.

29. Cost or Pricing Data. Cost or pricing data must be submitted to the Agency procurement officer and timely certified as accurate for contracts over \$100,000 unless the contract is for a multiple-term or as otherwise specified by the Agency procurement officer. Unless otherwise required by the Agency procurement officer, cost or pricing data submission is not required for contracts awarded pursuant to competitive sealed bid procedures.

If certified cost or pricing data are subsequently found to have been inaccurate, incomplete, or noncurrent as of the date stated in the certificate, the STATE is entitled to an adjustment of the contract price, including profit

or fee, to exclude any significant sum by which the price, including profit or fee, was increased because of the defective data. It is presumed that overstated cost or pricing data increased the contract price in the amount of the defect plus related overhead and profit or fee. Therefore, unless there is a clear indication that the defective data was not used or relied upon, the price will be reduced in such amount.

30. Audit of Cost or Pricing Data. When cost or pricing principles are applicable, the STATE may require an audit of cost or pricing data.
31. Records Retention. The CONTRACTOR and any subcontractors shall maintain the books and records that relate to the Contract and any cost or pricing data for three (3) years from the date of final payment under the Contract.
32. Antitrust Claims. The STATE and the CONTRACTOR recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the purchaser. Therefore, the CONTRACTOR hereby assigns to STATE any and all claims for overcharges as to goods and materials purchased in connection with this Contract, except as to overcharges which result from violations commencing after the price is established under this Contract and which are not passed on to the STATE under an escalation clause.
33. Patented Articles. The CONTRACTOR shall defend, indemnify, and hold harmless the STATE, and its officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys fees, and all claims, suits, and demands arising out of or resulting from any claims, demands, or actions by the patent holder for infringement or other improper or unauthorized use of any patented article, patented process, or patented appliance in connection with this Contract. The CONTRACTOR shall be solely responsible for correcting or curing to the satisfaction of the STATE any such infringement or improper or unauthorized use, including, without limitation: (a) furnishing at no cost to the STATE a substitute article, process, or appliance acceptable to the STATE, (b) paying royalties or other required payments to the patent holder, (c) obtaining proper authorizations or releases from the patent holder, and (d) furnishing such security to or making such arrangements with the patent holder as may be necessary to correct or cure any such infringement or improper or unauthorized use.
34. Governing Law. The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Contract shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.
35. Compliance with Laws. The CONTRACTOR shall comply with all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the CONTRACTOR'S performance of this Contract.
36. Conflict Between General Conditions and Procurement Rules. In the event of a conflict between the General Conditions and the procurement rules, the procurement rules in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
37. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the CONTRACTOR relative to this Contract. This Contract supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall have no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the CONTRACTOR other than as set forth or as referred to herein.
38. Severability. In the event that any provision of this Contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Contract.
39. Waiver. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Contract shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE'S right to enforce the same in accordance with this Contract. The fact that the STATE specifically refers to one

provision of the procurement rules or one section of the Hawaii Revised Statutes, and does not include other provisions or statutory sections in this Contract shall not constitute a waiver or relinquishment of the STATE'S rights or the CONTRACTOR'S obligations under the procurement rules or statutes.

40. Pollution Control. If during the performance of this Contract, the CONTRACTOR encounters a "release" or a "threatened release" of a reportable quantity of a "hazardous substance," "pollutant," or "contaminant" as those terms are defined in section 128D-1, HRS, the CONTRACTOR shall immediately notify the STATE and all other appropriate state, county, or federal agencies as required by law. The Contractor shall take all necessary actions, including stopping work, to avoid causing, contributing to, or making worse a release of a hazardous substance, pollutant, or contaminant, and shall promptly obey any orders the Environmental Protection Agency or the state Department of Health issues in response to the release. In the event there is an ensuing cease-work period, and the STATE determines that this Contract requires an adjustment of the time for performance, the Contract shall be modified in writing accordingly.
41. Campaign Contributions. The CONTRACTOR is hereby notified of the applicability of 11-205.5, HRS, which states that campaign contributions are prohibited from specified state or county government contractors during the terms of their contracts if the contractors are paid with funds appropriated by a legislative body.

**STATE OF HAWAII**  
**DEPARTMENT OF LAND AND NATURAL RESOURCES**  
**DIVISION OF BOATING AND OCEAN RECREATION**  
**BASELINE ENVIRONMENTAL STUDY OF THE WAIANAE COAST**  
**SOLICITATION NO. RFP-10-06**

Sealed proposals will be received up to 4:00 p.m. (HST) on November 6, 2006 at the Administrative Office of the Division of Boating and Ocean Recreation, 333 Queen Street, Suite 300 Honolulu, Hawaii 96813.

Questions relating to this request for proposal may be directed to Mr. William Andrews, Property Manager, phone (808) 587-1978.

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**NOTICE TO OFFERORS  
REQUEST FOR PROPOSALS**

**DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF BOATING AND OCEAN RECREATION**

**Solicitation No. RFP-10-06**

**Baseline Environmental Study of the Waianae Coast**

Pursuant to the Hawaii Public Procurement Code, Chapter 103D, Hawaii Revised Statutes, the State of Hawaii Department of Land and Natural Resources (DLNR), Division of Boating and Ocean Recreation (DOBOR) is soliciting proposals to conduct a baseline environmental study of the Waianae Coast as required by Act 6 of the 2005 Special Legislative Session.

**Project Description**

DLNR is soliciting proposals for the development of a baseline environmental study of the Waianae coast from Kalaeloa to Kaena Point to identify ocean recreation user conflicts and issues and present recommendations and strategies to address these conflicts. Services will continue for twelve months from the execution of the Contract. Compensation for services provided shall not exceed \$120,000.

**Requirements**

Proposals shall be received up to 4:00 p.m. HST on Monday November 6, 2006 in the DOBOR Administrative Office, 333 Queen Street, Suite 300, Honolulu, Hawaii 96813. Proposal documents may be obtained from said office between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday except for State Holidays. Proposal documents may also be downloaded from the Department of Land and Natural Resources website at [www.hawaii.gov/dlnr](http://www.hawaii.gov/dlnr)

All proposals must comply with Hawaii Administrative Rules (HAR) Section 3-122-112 "Responsibility of Offerors". Thus, offeror is advised that if awarded a contract under this solicitation, Offeror shall, upon award of the contract, furnish proof of compliance with the requirements of 103D-310(c), HRS:

- 1) Chapter 237; tax clearance;
- 2) Chapter 383, unemployment insurance;
- 3) Chapter 386, workers' compensation;
- 4) Chapter 392, temporary disability insurance;
- 5) Chapter 393, prepaid health care; and
- 6) One of the following:
  - a. Be registered and incorporated or organized under the laws of the State, hereinafter refer to as a "Hawaii Business"; or
  - b. Be registered to do business in the State, hereinafter referred to as a "compliant non-Hawaii business".

Offers are encouraged to carefully read the entire RFP. DLNR reserves the right to cancel the RFP and reject any and all submittals when it is in the best interest of DLNR. Any persons requiring special accommodation (e.g., large print materials, sign language interpreters) are asked to call (808) 587-1978.

BOARD OF LAND AND NATURAL RESOURCES

/s/ Peter T. Young

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Peter T. Young, Chairperson



## **I. INTRODUCTION**

Through Act 6, Special Session Laws of Hawaii 2005 (Act 6), the legislature mandated DLNR to prepare a baseline environmental study of the Waianae Coast from Kalaeloa Point to Kaena Point as an informational document to be used to establish the boundaries of an ocean recreation management area (ORMA) and to draft recreational management area rules.

The purpose of Act 6 is to place a moratorium on the issuance of new commercial vessel permits in state small boat harbors involving ocean-related activities for ocean waters between Kalaeloa Point and Kaena Point until the boundaries of a Kalaeloa to Kaena ORMA are designated and administrative rules on recreational boating activities and commercial vessel activities are adopted.

The completion of a baseline environmental study is a prerequisite to the establishment of the boundaries of an ORMA and the adoption of specific ORMA rules.

Act 314, Session Laws of Hawaii 2006, appropriated \$120,000 to fund the study. Thus, DLNR is issuing this Request for Proposals to comply with its Legislative mandate.

## **II. SIGNIFICANT DATES**

Advertisement and Issuance of Request for Proposal	October 6, 2006
Proposals Due	November 6, 2006
Notification of Offerors	November 17, 2006

## **III. OFFICIAL CONTACT PERSON**

The official contact person for all communication regarding this RFP is:

Mr. William Andrews, Property Manager  
DLNR, Division of Boating and Ocean Recreation  
333 Queen Street, Suite 300  
Honolulu, HI 96813  
Telephone: (808) 587-1978  
Fax: (808) 587-1977  
Email: [DLNR.DOBOR.PM@hawaii.gov](mailto:DLNR.DOBOR.PM@hawaii.gov)

## **IV. OBJECTIVES**

The role of the contractor will be to prepare a baseline environmental study of the Waianae Coast. Act 6, Special Session Laws of Hawaii 2005, (Act 6) mandated DLNR to prepare a baseline environmental study of the Waianae Coast from Kalaeloa Point to Kaena Point as an informational document to be used to establish the boundaries of an ocean recreation management area and to draft recreational management area rules. Working closely with the Department of Land and Natural Resources, the Contractor will prepare a baseline study that addresses Act 6 and its requirements.

The baseline study will need to creatively and effectively address the issues facing the Waianae Coast's ocean resources, and provide for a clear course of action by which the State of Hawaii can comprehensively manage the areas ocean resources.

## **V. SCOPE OF SERVICES**

1. Review and become familiar with Act 6, Special Session Laws of Hawaii 2005 (Exhibit B).
2. Prepare and submit a draft Work Plan, budget and schedule that specify the process and methodology for completing the baseline study within 30 days of the effective date of the contract.
3. Prepare the final Work Plan for preparation of the plan, methodology, detailed schedule and budget in close coordination with the STATE within 60 days of the effective date of the contract.
4. Meet and coordinate with DLNR staff in the drafting of the baseline study.
5. Prepare and submit a first draft of the baseline study to the STATE for review and comment within 6 months of the effective date of the contract. Act 6 mandates that the department prepare a baseline environmental study as an informational document to be used for the preparation of draft ORMA rules. Act 6 specifically addresses the content of the baseline study. At a minimum the baseline study must include the following:
  - a. A summary sheet with a concise description of the following:
    - i. Significant beneficial and adverse impacts of ocean use activities in the area from Kalaeloa point to Kaena point (including cumulative impacts and secondary impacts);
    - ii. Proposed mitigation measures;
    - iii. Alternatives considered;
    - iv. Unresolved issues; and
    - v. Compatibility with land use plans and policies, and listing of permits or approvals.
  - b. A separate and distinct section that includes a statement of purpose and need for the designation of an ocean recreation management area.
  - c. The following information, to the extent necessary for evaluation and review of the cultural, environmental, social, and economic impacts:
    - i. A detailed map of the area from Kalaeloa point to Kaena point;
    - ii. A statement of objectives;
    - iii. A general description of the area's technical, economic, social, and environmental characteristics;
    - iv. Public funds or lands to be used for the designation;
    - v. Phasing and timing of the designation;

- vi. A summary of technical data, diagrams, and other information necessary to permit an evaluation of potential environmental impact by government agencies and the public; and
  - vii. A historic perspective.
- d. The following restrictions or limitations on ocean use or private recreational activities, set forth in detail:
- i. Sub-areas within any proposed ocean recreation management area where certain types of ocean use activities may be restricted or permitted;
  - ii. The number of permits, by permit type and vessel and passenger capacity, that may be issued for different types of ocean use activities;
  - iii. The months, days, and times that certain types of ocean use activities may be curtailed or prohibited; and
  - iv. Any other restrictions or limitations deemed appropriate.
- e. A procedure for the resolution of user conflicts between commercial ocean use activities and private recreational use of any ocean recreation management area.
- f. A rigorous exploration and objective evaluation of the environmental impacts of alternative actions. Particular attention shall be given to alternatives that might enhance environmental quality or avoid, reduce, or minimize some or all of the adverse environmental effects, costs, and risks and recreational and commercial use conflicts. Examples of alternatives include:
- i. No action;
  - ii. Requiring actions of a significantly different nature that would provide similar benefits with different environmental effects;
  - iii. Those related to different boundaries or details of the proposed area that present different environmental effects; and
  - iv. Postponing the designation of the area pending further study.
- In each case, the analysis shall be sufficiently detailed to allow the comparative evaluation of the environmental benefits, costs, and risks of the proposed area designation and each reasonable alternative.
- g. A description of setting of any ocean recreation management area, including a description of the environment in the vicinity of the area, as it exists before the designation of the area, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the area (including natural or human-made resources of historic, archaeological, or aesthetic significance). Specific reference to related land-based projects, public and private, existent or planned in the region shall also be included for purposes of examining the possible overall cumulative effects of the designation of the area. The report shall identify, where appropriate, population and growth characteristics of the affected region and any population and growth assumptions used to justify the action and determine secondary population and growth effects resulting from the

proposed designation and its alternatives. In any event, it is essential that the sources of data used to identify, qualify, or evaluate any and all cultural, environmental, societal, and economic consequences be expressly noted.

- h. A statement of the relationship of the proposed designation of the area to land use plans, policies, and controls for the affected area. Discussion of how the proposed designation may conform or conflict with objectives and specific terms of approved or proposed land use plans, policies, and controls, if any, for the area affected shall be included. Where a conflict or inconsistency exists, the baseline environmental study shall describe the extent to which the report has reconciled its proposed designation with the plan, policy, or control and the reasons why the report has decided to proceed, notwithstanding the absence of full reconciliation.
- i. In a separate and distinct section, a description of the relationship between local short-term uses of the marine environment and the maintenance and enhancement of long-term productivity of the marine environment. The extent to which the proposed action involves trade-offs among short-term and long-term gains and losses shall be discussed. The discussion shall include the extent to which the proposed designation forecloses future options, narrows the range of beneficial uses of the environment, or poses long-term risks to health or safety. In this context, short-term and long-term do not necessarily refer to any fixed time periods, but shall be viewed in terms of the environmentally significant consequences of the proposed action.
- j. A discussion of the resolution of conflicts between recreational use of the area by residents of the area and commercial ocean use activities.
- k. In a separate and distinct section, a description of all irreversible and irretrievable commitments of resources that would be involved in the proposed designation of the ocean recreation management area should it be implemented. Identification of unavoidable effects and the extent to which the action makes use of non-renewable resources as a result of the designation or irreversibly curtails the range of potential uses of the environment shall also be included. The possibility of environmental accidents resulting from any phase of the designation and maintenance of the ocean recreation management area shall also be considered.
- l. All probable adverse environmental effects that cannot be avoided and a statement addressing these problems. Any adverse effects, such as water or air pollution, urban congestion, user conflicts, threats to public health, or other consequences adverse to environmental goals and guidelines established by environmental response laws, coastal zone management laws, pollution control and abatement laws, and environmental policy such as that found in chapters 128D, 205A, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, 342P, and 344, Hawaii Revised Statutes, shall be included,

including those effects discussed in other actions of this paragraph that are adverse and unavoidable under the proposed designation and rules. Also, the rationale for proceeding with a proposed designation, notwithstanding unavoidable effects, shall be clearly set forth in this section.

- m. Other interests and considerations of governmental policies that are thought to offset the adverse effects of the proposed designation. The baseline environmental study shall also indicate the extent to which these stated countervailing benefits could be realized by following reasonable alternatives to the proposed designation that would avoid some or all of the adverse environmental effects.
  - n. Mitigation measures proposed to avoid, minimize, rectify, or reduce impacts and user conflicts, including provision for compensation for losses of cultural, community, historical, archaeological, and fish and wildlife resources, including the acquisition of land, waters, and interests therein. Description of any mitigation measures to reduce significant, unavoidable, or adverse effects to insignificant levels, and the basis for considering these levels acceptable shall be included. Where a particular mitigation measure has been chosen from among several alternatives, the measures shall be discussed and reasons given for the choice made. Included, where possible and appropriate, shall be specific reference to the timing of each step proposed to be taken in the mitigation process, what performance bonds, if any, may be posted, and what other provisions are proposed to ensure that the mitigation measures will, in fact, be taken.
  - o. A separate and distinct section that summarizes unresolved issues and contains either a discussion of how the issues will be resolved prior to commencement of the designation or what overriding reasons there are for proceeding without resolving the problems.
  - p. A separate and distinct section that contains a list identifying all governmental agencies, other organizations, and private individuals consulted in the preparation of the baseline environmental study and the identity of the persons, firms, or agency assisting in the preparation of the baseline environmental study, by contract or other authorization, shall be disclosed.
  - q. A separate and distinct section that contains reproductions of all substantive comments and responses made during the consultation process. A list of those persons or agencies that were consulted and had no comment shall be included in the baseline environmental study.
6. Prepare and submit a second draft of the baseline study to the STATE that addresses all comments and issues raised by the STATE prior to submission for public review within 7 months of the effective date of the contract.

7. Schedule, reserve facilities for and conduct public meetings to attain public review and comments on the baseline study. The public review period shall be a minimum 30-day public comment period, with adequate public notice and documentation.
8. In consultation with the STATE. Prepare a revised baseline study that incorporates comments from public meetings and other outreach as deemed appropriate by the STATE
9. Submit to the STATE a final draft of the baseline study, in both hard copy and electronic version in Microsoft Word format.
10. Submit and present final baseline study to the Board of Land and Natural Resources, for final approval at one of the Board's regularly scheduled meetings.
11. Other mutually agreed upon work deemed necessary to the preparation of the baseline study.

## **VI. TIME SCHEDULE**

1. All services shall be completed within 12 months of the effective date of the contract unless terminated as hereinafter provided.
2. All proposals shall submit a time schedule for the completion of all major tasks. The timeline shall include but not be limited to: description of each task, duration of each task, schedule of takes, milestones and schedule of periodic progress reports with dates for submission.

## **VII. COMPENSATION**

1. Award will be made on a firm, fixed fee, including all taxes.
2. The proposal shall be proceed and shall include a budget in accordance with the section entitled "Project Proposal". Act 314 of the 2006 Legislative Session appropriated \$120,000 to fund the study. Thus, only proposals requiring funding at or below \$120,000 will be considered.
3. Payment shall be made in predetermined installments contingent on the STATE's approval of specific deliverables or progress reports.
4. The CONTRACTOR shall be required to obtain a current tax clearance from the State of Hawaii Department of Taxation and the Internal Revenue Service prior to entering into a contract with the STATE and again to receive final payment.

## VIII. SPECIAL PROVISIONS

### 1. Special Conditions:

- a. All work must comply with all applicable State, County, and Federal regulations, codes and guidelines.
- b. This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS), Chapter 103D and Subchapter 3-122, HAR. All Offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any Offeror shall constitute admission of such knowledge on the part of such Offeror.
- c. The shall be in accordance with the General Terms and Conditions developed by the Attorney General's office (Form AG2-GC(1/01)), included by reference and available on-line at:  
<http://www2.hawaii.gov/bidfiles/generalconditions1.pdf>
- d. The CONTRACTOR must assure and be responsible for the continuity of service activities in the event of staff illness, medical emergencies, vacancies, or other situations that result in program resources that are less than proposed and contracted for. The CONTRACTOR must not require nor depend on the STATE's staff to provide services in the event that program resources are not available due to the above situations.
- e. When a disagreement arises between the Offeror and the STATE in regards to the performance of specific service requirements within contract specifications, the wishes of the STATE shall prevail. Failure on the part of the CONTRACTOR to comply shall be deemed cause for corrective action and subject to contractual remedies.
- f. DLNR reserves the right to reduce, amend, or expand the "Scope of Work".
- g. Part or all of this RFP and the successful proposal may be incorporated into the final contract.

### 2. Required Review:

Perspective Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Questions concerning defects and questionable or objectionable matter shall be received prior to the Proposal Due Date indicated under the "Significant Dates" section of the RFP.

### 3. Cancellation of RFP and Proposal Rejection:

The STATE reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the STATE, as provided in Section 3-122-95 through 3-122-97, HAR.

### 4. Proposal Opening:

Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials. The Offeror's proposals shall be open to public inspection upon posting of award. All proposals and other material submitted by offerors become property of the State and may be returned only at the State's option.

## IX. CONTRACTOR REQUIREMENTS

### 1. HRS 237 - Tax Clearance Requirements:

Pursuant to §103D-328, HRS, the chosen operator shall be required to obtain a current tax clearance certificate issued by the State of Hawaii Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) prior to entering into a contract with the State and again to receive final payment.

The certificate shall have an original green certified copy stamp, and shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by DLNR. (Note: Tax clearances are valid for six (6) months for purposes of contract execution. If the tax clearance certificate submitted with the application is no longer valid at the time of contract execution, organization will need to acquire and submit a new certificate).

The tax clearance certificate may be obtained on the State of Hawaii, DOTAX TAX CLEARANCE APPLICATION FORM A-6 (Rev. 2005) which is available at the DOTAX and IRS offices in the State of Hawaii of the DOTAX website, and by mail or fax:

DOTAX Website: [http://www.state.hi.us/tax/a1\\_1alphalist.htm](http://www.state.hi.us/tax/a1_1alphalist.htm)

DOTAX Forms by Fax: (808) 587-4242

DOTAX Forms by Mail: P.O. Box 259 Honolulu, HI 96809

Completed tax clearance applications may be mailed, faxed, or submitted in person to the DOTAX, Taxpayer Services Branch, to the address listed on the application. Facsimile numbers are:

DOTAX: (808) 587-1488      IRS: (808) 539-1573

It is recommended that the "Tax Clearance Application," Form A-6, be mailed to a DOTAX district office as soon as possible, as the process may take 21 calendar days before a tax clearance is received.

The application for the clearance is the responsibility of the potential operators, and must be submitted directly to the DOTAX or IRS and not to DLNR. However the tax clearance certificate shall be submitted to DLNR directly.

### 2. HRS Chapters 383 (Unemployment Insurance), 386 (Worker's Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements:

Pursuant to §103D-310(c), HRS, the chosen operator shall be required to submit an approved certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by DLNR. A photocopy of the certificate is acceptable to DLNR.



The certificate of compliance shall be obtained on the State of Hawaii, DLIR APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR, Form LR #27, which is available at: [www.dlir.state.hi.us/forms/ApplicationforCertificateofCompliance.pdf](http://www.dlir.state.hi.us/forms/ApplicationforCertificateofCompliance.pdf), or at the neighbor island DLIR District Office.

The application for the certificate is the responsibility of the potential operator and must be submitted directly to DLIR and not to DLNR. The DLIR will return the form to the operator who in turn shall submit the certificate to DLNR.

3. Compliance with §103D-310(c) (1) and (2), HRS:

Pursuant to section 3-122-112, HAR, the operator shall be required to submit a CERTIFICATE OF GOOD STANDING (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (DCCA – BREG). The Certificate is valid for six (6) months from date of issue and must be valid on the date it is received by DLNR. A photocopy of the certificate is acceptable to DLNR.

To obtain the Certificate, the operator must first be registered with DCCA – BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate.

Online business registration and the Certificate are available at <http://www.hawaii.gov/dcca/areas/breg>. To register or obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Operators are advised that there are costs associated with registering and obtaining the Certificate.

Timely Submission of all Certificates: The above certificate should be applied for a submitted to DLNR as soon as possible. If a valid certificate is not submitted on a timely basis for award of a contract, an offer otherwise responsive and responsible may not receive the award.

Final Agreement Requirements: Contractor is required to submit a valid tax clearance certificate for final payment on the contract. A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract.

In addition to a tax clearance certificate, an original "Certification of Compliance for Final Payment" (SPO Form-22), will be required for final payment. A copy of the SPO Form-22 is available at [www.spo.hawaii.gov](http://www.spo.hawaii.gov). Select "Forms for Vendors/Contractors" from the Procurement of Goods, Service and Construction – Chapter 103D, HRS, menu.

## **X. EVALUATION OF PROPOSALS**

An evaluation committee of at least three (3) State employees selected by the Chairperson shall evaluate the proposals. The evaluation will be based solely on the evaluation criteria set forth in this RFP.

Before the merits of each proposal are evaluated, the evaluation committee shall evaluate each proposal to determine whether it complies with, and is responsive to, the RFP description and instructions. At this stage, proposals will also be reviewed for timeliness of submission, completeness, and compliance with the requirements and qualifications specified in this document.

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. Discussion may be conducted with priority listed Offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without such discussions.

If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors. These Offerors shall be permitted to submit new proposals or to amend those submitted.

The date and time for the Offerors to submit their best and final offers, if necessary, will be determined and made known. If Offeror does not submit a notice of withdrawal or another best and final offer, the Offeror's immediate previous offer will be considered as their best and final offer.

The STATE's acceptance of an offer if any will be made within ninety (90) calendar days after opening of proposals. Unless extended by mutual agreement, the Offeror's proposal shall remain firm for ninety (90) days.

## **XI. EVALUATION CRITERIA**

The evaluation committee shall evaluate proposals in accordance with the RFP and based on the following general criteria:

1. Minimum Criteria for Proposal Responsiveness:
  - a. Submitting incomplete proposal document or failure to sign the proposal; documents may be justification for rejection of a proposal.
  - b. Failure to respond or comply with the specifics provided in RFP or requirements provided by statutes or law may be justification for rejection of a proposal.

## 2. Proposal Evaluation Criteria

The committee shall evaluate proposals based on the following general criteria (Total possible points shown in parentheses):

### a. Qualifications/Experience:

- i. Demonstrated knowledge, familiarity and experience in Hawaii with coastal and ocean resource planning and management, and ocean user conflict issues (15).
- ii. Experience in coordinating and cooperating with multiple groups including government agencies, community groups, businesses, organizations and other interested parties. (15)
- iii. Demonstrated experience in community outreach including conducting public meetings and briefings. (20)

### b. Proposal:

- i. Innovative approach (10)
- ii. Efficiency of work plan timeline to develop a draft baseline Study in a timely manner. (20)
- iii. Effectiveness of work plan to incorporate various diverse inputs into the Baseline Study. (20)
- iv. Effectiveness of work plan to solicit and incorporate public input into the final Baseline Study. (20)
- v. Effectiveness of work plan to develop a final Baseline Study and summary of public comments. (10)

### c. Price:

- i. Appropriateness of proposed budget (20)

**TOTAL POSSIBLE POINTS: 150**

## VII. SUBMISSION REQUIREMENTS

1. Offeror is requested to submit its Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs (DCCA), if applicable, and to indicate exact legal name in the appropriate space on the Offer Form OF-1, Exhibit A. Failure to do so may delay proposal execution of the contract.
2. The Original plus four (4) copies (total – five (5) copies) of the proposal shall be submitted in a sealed envelope to:

DLNR - Division of Boating and Ocean Recreation  
Attn: William Andrews  
333 Queen Street, Suite 300  
Honolulu, Hawaii 96813

3. Costs for developing the proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii will not reimburse such costs.
4. "Solicitation No. RFP-10-06" shall be referenced on the outside of the sealed proposals. Faxed or emailed proposals shall not be accepted.

## **XII. PROJECT PROPOSAL**

The project proposal shall include, but not be limited to:

1. Offer Form OF-1 (Exhibit A)
2. Qualifications:
  - a. Statement of consultant's qualifications to accomplish project objectives and tasks as described in the RFP; a statement of these qualifications should be supported by a resume identifying how the consultant's qualifications meet these requirements;
  - b. A general statement identifying the consultant's specialized experience and technical competence for the services and tasks identified under "Scope of Services."
  - c. A list of key personnel who will be dedicated to this project and information on their background.
3. Scope of Work:
  - a. A detailed plan to effectively carryout the tasks described in the "Scope of Services" section of the RFP, including a detailed description of how requirements under Act 6, Special Session Laws of Hawaii 2005 will be addressed.
4. Time Schedule:
  - a. The proposal shall include a time schedule for the completion of all major tasks. The timeline shall include but not be limited to: description of each task, duration of each task, schedule of takes, milestones and schedule of periodic progress reports with dates for submission;
  - b. All services shall be completed within 12 months of the effective date of the contract unless terminated hereinafter provided.
5. Compensation:
  - a. The proposal shall be priced and include a budget for tasks proposed;
  - b. Only proposals priced at or below \$120,000 shall be considered;
  - c. The proposal shall be based on a firm fixed fee;
  - d. The proposal shall recommend a progress payment schedule based on deliverables for all tasks as they are completed. Payments shall be made on predetermined progress payments contingent on the STATE's approval of specified deliverables of progress reports;

- e. The Contractor shall be required to obtain a current tax clearance from the State of Hawaii Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) prior to entering into a contract with the State and again to receive final payment. Offerors are encouraged to immediately apply for a tax clearance, and if possible to submit their tax clearance with their proposal.

### **XIII. CONTRACT EXECUTION**

The successful proposer shall be required to enter into a contract with the Department of Land and Natural Resources. Prior to contract execution, the Board of Land and Natural Resources must approve the final contract. After Board approval, a Notice to Proceed specifying the contract commencement date will be executed. No work is to be undertaken by the Contractor prior to the commencement date specified on the Notice to Proceed. The State is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to official date.

## EXHIBIT A - OFFER FORM OF-1

Department of Land and Natural Resources  
Division of Boating and Ocean Recreation  
333 Queen Street, Suite 300  
Honolulu, Hawaii 96813

Dear Mr. William Andrews:

The undersigned has carefully read and understands the terms and condition specified in this Request for Proposals (Solicitation No. RFP-10-06-DLNR) attached hereto and in the General Terms and Conditions developed by the Attorney General's office (Form AG2-CG(1/01), by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibition State contracts, and 2) he/she is certifying that the information contained within the proposal is true and accurate, and 3) he/she is certifying that the price submitted was (were) independently arrived at without collusion.

The undersigned represents that it is (check one only):

- ☐ A Hawaii business incorporated or organized under the laws of the State of Hawaii or  
☐ A compliant Non-Hawaii business not incorporated in the State of Hawaii, DCCA-BERG to do business in the State of Hawaii. State of Incorporation: \_\_\_\_\_

Offeror is:

☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Joint Venture ☐ Other \_\_\_\_\_

Federal I.D. No.: \_\_\_\_\_

Hawaii General Excise Tax License I.D. No. \_\_\_\_\_

Business Address (street address): \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Date: \_\_\_\_\_

Respectably Submitted:

(x) \_\_\_\_\_

Authorized (Original) Signature

Telephone No.: \_\_\_\_\_

\* \_\_\_\_\_

Name and Title

Fax No.: \_\_\_\_\_

Exact Legal name of Company (Offeror)

Email Address: \_\_\_\_\_

\* If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the award contract will be executed.

**EXHIBIT B - ACT 6, 2005 Special Legislative Session**

**Report Title:**

Waianae Coast Environmental Study

**Description:**

Authorizes a baseline environmental study of the Waianae Coast ocean area and establishes a moratorium on the issuance of new commercial vessel permits in the area. (CD1)

THE SENATE

TWENTY-THIRD LEGISLATURE, 2005

STATE OF HAWAII

**S.B. NO.** 1262

S.D. 1

H.D. 2

C.D. 1

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# A BILL FOR AN ACT

RELATING TO THE WAIANAE COAST.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

*SECTION 1. The legislature finds it a matter of concern that along the Waianae coast, the growing population of west Oahu and the visitor industry are affecting the traditional uses of the area and are having cumulative economic, environmental, social, and cultural effects on the many communities along this coastline.*

*The legislature finds that the increased usage of beach parks and state boating facilities to accommodate commercial ocean recreation activities between Kalaeloa and Kaena has had a significant impact on traditional commercial fishing activities, as well as other non-commercial ocean recreational activities.*

*The legislature finds that the ocean waters in this area should be designated by the department of land and natural resources as an ocean recreation management area to reduce user conflicts, maintain overall public safety, and to regulate commercial activities by placing limitations on the locations, times, and types of ocean recreation activities that are permitted.*

The purpose of this Act is to place a moratorium on the issuance of new commercial vessel permits in state small boat harbors involving ocean-related activities for ocean waters between Kalaeloa point and Kaena point until the boundaries of a Kalaeloa to Kaena ocean recreation management area are designated and administrative rules on recreational boating activities and commercial vessel activities are adopted. However, the completion of a baseline environmental study is a prerequisite to the establishment of the boundaries of an ocean recreation management area and the adoption of the ocean recreation management area rules. The limited resources of the state prohibit funding for this baseline environmental study at this time. Accordingly, the legislature intends to seek a funding source to ensure that this important baseline environmental study is performed.

SECTION 2. The department of land and natural resources shall not issue any state small boat harbor facility commercial permits for vessels engaged in ocean use activities in the area from Kalaeloa point to Kaena point that would exceed the total number of permits already issued as of the effective date of this Act, until the boundaries of an ocean recreational management area for the area from Kalaeloa point to Kaena point are determined and ocean recreation management area rules are adopted pursuant to this section and chapter 91, Hawaii Revised Statutes.

SECTION 3. The department shall prepare a baseline environmental study as an informational document to be used for the preparation of draft ocean recreation management area rules in accordance with the following procedures. The baseline environmental study shall include:

(1) A summary sheet with a concise description of the following:

(A) Significant beneficial and adverse impacts of ocean use activities in the area from Kalaeloa point to Kaena point



(including cumulative impacts and secondary impacts);

(B) Proposed mitigation measures;

(C) Alternatives considered;

(D) Unresolved issues; and

(E) Compatibility with land use plans and policies, and listing of permits or approvals;

(2) A separate and distinct section that includes a statement of purpose and need for the designation of an ocean recreation management area;

(3) The following information, to the extent necessary for evaluation and review of the cultural, environmental, social, and economic impacts:

(A) A detailed map of the area from Kalaeloa point to Kaena point;

(B) A statement of objectives;

(C) A general description of the area's technical, economic, social, and environmental characteristics;

(D) Public funds or lands to be used for the designation;

(E) Phasing and timing of the designation;

(F) A summary of technical data, diagrams, and other information necessary to permit an evaluation of potential environmental impact by government agencies and the public; and

(G) A historic perspective;

(4) The following restrictions or limitations on ocean use or private recreational activities, set forth in detail:

(A) Sub-areas within any proposed ocean recreation management area where certain types of ocean use activities may be restricted or permitted;

(B) The number of permits, by permit type and vessel and passenger capacity, that may be issued for different types of ocean use activities;

(C) The months, days, and times that certain types of ocean use activities may be curtailed or prohibited; and

(D) Any other restrictions or limitations that the department deems appropriate;

(5) A procedure for the resolution of user conflicts between commercial ocean use activities and private recreational use of any ocean recreation management area;

(6) A rigorous exploration and objective evaluation of the environmental impacts of alternative actions. Particular attention shall be given to alternatives that might enhance environmental quality or avoid, reduce, or minimize some or all of the adverse environmental effects, costs, and risks and recreational and commercial use conflicts. Examples of alternatives include:

(A) No action;

(B) Requiring actions of a significantly different nature that would provide similar benefits with different environmental effects;

(C) Those related to different boundaries or details of the proposed area that present different environmental effects; and

(D) Postponing the designation of the area pending further study.

In each case, the analysis shall be sufficiently detailed to allow the

comparative evaluation of the environmental benefits, costs, and risks of the proposed area designation and each reasonable alternative;

(7) A description of setting of any ocean recreation management area, including a description of the environment in the vicinity of the area, as it exists before the designation of the area, from both a local and regional perspective. Special emphasis shall be placed on environmental resources that are rare or unique to the region and the area (including natural or human-made resources of historic, archaeological, or aesthetic significance). Specific reference to related land-based projects, public and private, existent or planned in the region shall also be included for purposes of examining the possible overall cumulative effects of the designation of the area. The department shall identify, where appropriate, population and growth characteristics of the affected region and any population and growth assumptions used to justify the action and determine secondary population and growth effects resulting from the proposed designation and its alternatives. In any event, it is essential that the sources of data used to identify, qualify, or evaluate any and all cultural, environmental, societal, and economic consequences be expressly noted;

(8) A statement of the relationship of the proposed designation of the area to land use plans, policies, and controls for the affected area. Discussion of how the proposed designation may conform or conflict with objectives and specific terms of approved or proposed land use plans, policies, and controls, if any, for the area affected shall be included. Where a conflict or inconsistency exists, the baseline environmental study shall describe the extent to which the department has reconciled its proposed designation with the plan, policy, or control and the reasons why the department has decided to proceed, notwithstanding the absence of full reconciliation;

(9) In a separate and distinct section, a description of the relationship between local short-term uses of the marine environment and the maintenance and enhancement of long-term productivity of the marine

environment. The extent to which the proposed action involves trade-offs among short-term and long-term gains and losses shall be discussed. The discussion shall include the extent to which the proposed designation forecloses future options, narrows the range of beneficial uses of the environment, or poses long-term risks to health or safety. In this context, short-term and long-term do not necessarily refer to any fixed time periods, but shall be viewed in terms of the environmentally significant consequences of the proposed action;

(10) A discussion of the resolution of conflicts between recreational use of the area by residents of the area and commercial ocean use activities;

(11) In a separate and distinct section, a description of all irreversible and irretrievable commitments of resources that would be involved in the proposed designation of the ocean recreation management area should it be implemented. Identification of unavoidable effects and the extent to which the action makes use of non-renewable resources as a result of the designation or irreversibly curtails the range of potential uses of the environment shall also be included. The possibility of environmental accidents resulting from any phase of the designation and maintenance of the ocean recreation management area shall also be considered;

(12) All probable adverse environmental effects that cannot be avoided and a statement addressing these problems. Any adverse effects, such as water or air pollution, urban congestion, user conflicts, threats to public health, or other consequences adverse to environmental goals and guidelines established by environmental response laws, coastal zone management laws, pollution control and abatement laws, and environmental policy such as that found in chapters 128D, 205A, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, 342P, and 344, Hawaii Revised Statutes, shall be included, including those effects discussed in other actions of this paragraph that are adverse and unavoidable under the proposed designation and rules. Also, the rationale for proceeding with a proposed designation, notwithstanding unavoidable effects, shall be clearly set forth in this section;

(13) Other interests and considerations of governmental policies that are thought to offset the adverse effects of the proposed designation. The baseline environmental study shall also indicate the extent to which these stated countervailing benefits could be realized by following reasonable alternatives to the proposed designation that would avoid some or all of the adverse environmental effects;

(14) Mitigation measures proposed to avoid, minimize, rectify, or reduce impacts and user conflicts, including provision for compensation for losses of cultural, community, historical, archaeological, and fish and wildlife resources, including the acquisition of land, waters, and interests therein. Description of any mitigation measures to reduce significant, unavoidable, or adverse effects to insignificant levels, and the basis for considering these levels acceptable shall be included. Where a particular mitigation measure has been chosen from among several alternatives, the measures shall be discussed and reasons given for the choice made. Included, where possible and appropriate, shall be specific reference to the timing of each step proposed to be taken in the mitigation process, what performance bonds, if any, may be posted, and what other provisions are proposed to ensure that the mitigation measures will, in fact, be taken;

(15) A separate and distinct section that summarizes unresolved issues and contains either a discussion of how the issues will be resolved prior to commencement of the designation or what overriding reasons there are for proceeding without resolving the problems;

(16) A separate and distinct section that contains a list identifying all governmental agencies, other organizations, and private individuals consulted in the preparation of the baseline environmental study and the identity of the persons, firms, or agency assisting in the preparation of the baseline environmental study, by contract or other authorization, shall be disclosed; and

(17) A separate and distinct section that contains reproductions of all substantive comments and responses made during the consultation process. A list

of those persons or agencies who were consulted and had no comment shall be included in the baseline environmental study.

SECTION 4. The final designation of the ocean recreation management area and rules for this area shall be adopted by the department pursuant to chapter 91, Hawaii Revised Statutes, and this Act and shall include any sub-areas or restricted areas. The department shall maintain rulemaking files that shall include but not be limited to the following:

- (1) All letters received containing substantive questions, comments, or recommendations and, as applicable, summaries of any scoping meetings held;
- (2) A list of persons, organizations, and public agencies commenting on the draft rules;
- (3) The responses of the department to each substantive question, comment, or recommendation received during the rules adoption process; and
- (4) The final rules written in a format that allows the reader to easily distinguish changes made to the text of the draft rules.

SECTION 5. For the purposes of this Act, "ocean use activities" means commercial operation of thrill craft, high-speed boating, para-sailing, water sledding, sailing and snorkeling tours, glassbottom boat tours, dolphin tours, or any other similar commercial ocean recreational activity for hire.

SECTION 6. The department of land and natural resources shall submit the baseline environmental study to the legislature not later than twenty days prior to the convening of the regular session of 2007.

SECTION 7. This Act shall take effect upon its approval.

## SCOPE OF WORK

Environet, Inc.'s (EI) approach to the Waianae Coast Baseline Environmental Study ("study") will, generally, follow the guidelines provided in Section Five of the Request for Proposals (RfP). EI will work closely with the Department of Land and Natural Resources (DLNR) Division of Boating and Ocean Recreation (DOBOR) project manager from the day of the contract award until completion of the project to provide DLNR and the Waianae community with a detailed, integrated, community-building study. To achieve this end product, EI will review existing information, conduct detailed interviews and focus group meetings with key individuals and community groups, collect primary data on the existing environment, analyze the existing and newly-collected data, prepare a strategy and process for conflict resolution, introduce innovative community-building projects, and provide results of the study in a detailed report complete with applicable Geographic Information System (GIS) layers. Each of these steps is discussed in detail below.

A key component of the study is community involvement, both to incorporate a diverse range of inputs during the development of the study and to boost public participation in commenting on the draft study. In order to maximize community involvement, EI proposes the incorporation of a Project Advisory Committee (PAC) comprising various members of the Waianae Coast community. The PAC would meet regularly during the course of the study, and would be relied upon to provide guidance during the developmental phase of the project, brainstorming during the conflict investigation phase of the project, and facilitation of the focus groups and stakeholder meetings. The following community members have expressed their interest in serving on the PAC:

**Table 1: Project Advisory Committee**

Name	Affiliation
Mr. William Aila, Jr.	Harbormaster, Waianae Small Boat Harbor
Mr. Gary Maunakea-Forth (tentative)	MA'O Organic Farms
Ms. Cynthia Rezentes	Member, Waianae Coast Neighborhood Board

Upon the start of the project, through consultation with DOBOR and these initial PAC members, additional PAC members will be added as needed.

In addition to the PAC, EI has enlisted the involvement of Frank Stanton, PhD., a marine biology researcher at Leeward Community College. In addition to his research interests of symbiosis and coral reproduction, Dr. Stanton coordinates the Marine Option Program (MOP) an education program within the University of Hawaii that promotes education about the marine environment and how it relates to different aspects of life in Hawaii. The MOP also involves various

community-building projects such as beach cleanup efforts and annual whale census events. Dr. Stanton will serve as an advisory member to the project team.

EI's approach to the Waianae Coast Baseline Environmental Study is broken down into ten Tasks. The proposed timeline for completion of the project is included the next section (TIME SCHEDULE) of this proposal, is based upon these ten tasks and a series of regular progress reports.

### **Task 1 – Project Management, Set Up and Coordination**

Project management of the consultant team will be handled by Ms. Colette Sakoda, a senior environmental planner with Environet, Inc. During her more than two decades of work history, Ms. Sakoda has worked on environmental and community planning projects in both the public and private sector, and has coordinated multiple community involvement projects.

Under this Task, EI (Ms. Sakoda and Ms. Garcia) will, immediately upon award of the contract, meet with the DOBOR project manager and DOBOR team to review the scope and approach to the Waianae Coast Baseline Environmental Study. EI will introduce our proposed project manager and members of the project team.

EI understands the importance of this project, both to the DOBOR and to the Waianae community and we feel that a clearly defined approach to the project management and coordination is critical to that success. EI intends to work hand-in-hand with the DOBOR at this first Task to clearly set the course and approach for all subsequent Tasks.

EI's suggested approach to the management and coordination of the Waianae Coast Baseline Environmental Study includes the following elements:

- Meet with the DOBOR project manager and his designees initially to review overall project scope, goals, milestones and meeting and coordination schedule.
- Present EI's proposed approach to the project and revise according to DOBOR input.
- Review EI's proposed time line for the project and revise according to DOBOR input.
- Establish "ground rules" for working with DOBOR. We anticipate this to include such elements as:
  - Establishing primary and secondary contracts, rules and project procedures;
  - Establishing DOBOR's overall concept of the project and understanding of the vision for the completed study;



- Establish meeting frequency and regularity and preferred methods of communication.

Upon the completion of Task 1, a brief summary of work completed to date and an outline of the scope and approach decided during Task 1 – this marks the Progress Report 1 milestone.

## **Task 2 – Review of Act 6, Special Session Laws of Hawaii 2005, and other State and Federal Programs**

Under this Task, EI will conduct a detailed review and evaluation of Act 6, as well as other applicable state and federal programs. This review will address three major objectives:

1. Determine the history and framework for Act 6, and derive the required actions mandated by the act;
2. Identify other Hawai'i state or federal programs with similar or overlapping goals, particularly those related to social, biological or environmental research, community building, environmental awareness, and education;

An important component of this review will focus on ways to integrate the final results of this study with other programs that target the Waianae community and environment. Potential examples include the following:

- *Ensure that shoreline is accessible at regular intervals across private lands.* Coastal Public Access goal ranked #2 in the Hawaii Ocean Resources Management Plan, 2005 status report to the 23<sup>rd</sup> Legislature.
- *Develop content and updated culturally-based curriculum with emphasis on ahupua'a.* Educational goal ranked #8 in the Hawaii Ocean Resources Management Plan, 2005 status report to the 23<sup>rd</sup> Legislature.
- *Develop guidelines for and educate people about human and wildlife interactions.* (Examples: provide for public education about wise use and consequences of poor use to assist in enforcement). Short to mid-range goal identified in Theme III of the report to the Office of Planning from the Hawai'i Ocean Coastal Council.
- Review biological data collection methods used by other state agencies in order to determine which methods should be used for the Waianae coast. For example the type of benthic habitat transects used should be consistent with data collection methods used by other scientific research communities so that the data can be integrated into other studies, particularly those that compile long-term monitoring events for fish, coral cover, algal cover, and overall ocean condition. Dr. Stanton will assist in survey design process.

- Local Action Strategies developed through the U.S. Coral Reef Task Force.
3. Review ocean resource management plans or management areas established in other regions, states and/or jurisdictions for information, guidance and approaches that may be applicable to the Waianae coast. Some examples include the following:
- Hawaii Ocean Resource Management Plan
  - North Shore Ocean Recreation Management Area
  - Waikiki Ocean Recreation Management Area
  - West Maui Ocean Recreation Management Plan

Ms. Garcia's experience in Coastal Resource Management and her familiarity with state and federal programs will be a key component during this task. She will be assisted by Mr. Van Woerkom, who also has a strong working knowledge of state and federal programs and regulations. Dr. Stanton will also provide input and guidance in finalizing project design for data collection methods.

### **Task 3 – Gather Data from Current or Previous Studies**

Under this Task, EI will conduct a detailed review of previous and current studies that have focused on the technical, economic, social, historical, and environmental characteristics of the Waianae coast. A strong body of social information exists in the recent "West Oahu Ocean Operational Protocols Final Report (Townscape, 2006)", and its associated summary of meetings. This report will serve as a starting point for Task 3. In addition, there are several existing data sets on long-term monitoring transects along the Waianae coast that are directly applicable to the data comparisons that will be generated during the study, including a 30-year data set at Kahe Point and an 8-year data set from Ko Olina to Barber's Point. EI will distill applicable data from any studies identified during the review and use that data to enhance the Waianae Coast Baseline Environmental Study. Some examples of data sources to be utilized include the following:

**Table 2: Existing Data Sources to be Utilized**

<b>Type of Data</b>	<b>Potential Sources</b>
<b>Social Data</b> Demographics Stakeholder Groups Tourism projections User surveys from previous studies	Community Surveys – Townscape, Inc. <i>Planning for Sustainable Tourism</i> , DBEDT* Census Bureau City and County of Honolulu, Department of Parks and Recreation <i>State Comprehensive Outdoor Recreation Plan</i> Community groups Waianae harbormaster Waianae Coast Neighborhood Board
<b>GIS Layers</b>	City and County of Honolulu U.S. Census Bureau State of Hawaii DBEDT
<b>Economic Data</b>	Census Bureau State of Hawaii DBEDT <i>Economic Valuation of the Coral Reefs of Hawaii</i> (Cesar et al., 2002) Revenue generated by commercial user groups
<b>Environmental Data</b> Fish abundance and diversity Historic fish catch data, catch per unit effort, etc. Benthic cover Coral abundance and diversity Marine mammals Seagrass and seaweed abundance and diversity	NOAA's Coral Reef Information System Waianae Watershed Management Plan Hawaii Marine Recreational Fishing Survey DAR commercial catch report database Waianae Coast Ecological Characterization University of Hawaii Hawaii Institute of Marine Biology 30 year data set – Kahe Point <i>Biological monitoring of the Chevron Diffuser</i> , Kolinski et al., 2004 (Ko Olina to Barber's Point 8-year data set).
<b>Other</b>	Historical Data Archaeological Data

\*DBEDT = State of Hawaii Department of Business, Economic Development, and Tourism.

Following the review of available, relevant sources EI will determine areas where additional primary data gathering would be most useful. At this point, we anticipate that the main areas requiring additional data collection would be the marine habitat offshore from the Waianae Coast and a survey of ocean and coastal area usage by community groups, area residents, tourists, and commercial groups. Once all data gaps have been identified, EI will work with the DOBOR project manager to finalize which additional data should be collected. EI assumes that sufficient archaeological data exist to cover the project area; however, should the DOBOR express the need for collection of additional archaeological data, EI will engage a qualified subcontractor to carry out the work.

This task will be spearheaded by Ms. Garcia with assistance from Mr. Van Woerkom, both of whom have strong backgrounds in data gathering and data compilation for environmental and biological projects.

Progress Report 2, summarizing the work completed to date, will be submitted upon completion of Task 3.

#### **Task 4 – Primary Data Collection**

Under this Task, EI will collect primary environmental and social data on the Waianae Coast Area. This task is designed to create an inventory of existing resources and resource uses along the Waianae Coast. The data gathered during this task will be compared to data gathered during Task 3, and used to draw a number of comparisons, such as:

- Current condition of the resource versus historical condition of the resource (e.g., fish abundance now compared to 10 years ago, coral cover now compared to 10 years ago);
- Variation in the condition of the resource across the study area (relatively pristine areas compared to heavily used areas, shallow areas compared to areas further offshore)
- Correlation between resource condition and nearby land use;
- Correlation between resource condition and frequency/type of ocean use.

As a starting point for the data collection, the study area will be delineated into identified study sites to include harbors, beach access points, and other areas of medium or high use. Input from the PAC and DLNR will be used to assist in delineating medium- and high-use areas, while input from Dr. Stanton will be used to finalize the marine sampling study design.

The data to be collected fall into the following sub-groups:

*Water Quality Assessment.* The water quality assessment will be included in the study and will include the results of research, sample collection and analyses to form a baseline of the water quality in the area. Requested parameters will correlate to the State of Hawaii Chapter 11-54 water quality criteria for coastal waters. The potential impacts to the water quality and mitigation measures will also be analyzed and documented. The following items will be included in the survey:

- Collect a total of 45 water samples with a Niskin bottle at five stations located at increasing distances from the shoreline adjacent to three identified study sites. Collect three water samples at each location, one from just below the ocean surface, one mid-way between surface and bottom, and one .05 meters (1.6 feet) above the bottom.

- Measure temperature and dissolved oxygen *in situ* with a portable temperature/DO sensor.
- Measure pH and turbidity of water samples immediately after collection.
- Analyze water samples for some or all of the following parameters to assess water quality:
  - Total suspended solids
  - Chlorophyll a (Chl a)
  - Total dissolved nitrogen (TDN)
  - Total dissolved phosphorous (TDP)
  - Nitrate + nitrite (NO<sub>3</sub>)
  - Ammonia (NH<sub>4</sub>)
  - Reactive phosphate (PO<sub>4</sub>)
  - Silicate (Si)
  - Salinity
- Calculate total organic nitrogen (TON) and total organic phosphorous (TOP).

*Marine Community Structure Assessment.* The marine community structure assessment will be included in the study and will include the results of research, site reconnaissance, and data analysis to characterize the marine biological community at and adjacent to the project site. The potential impacts to the marine biological community at and adjacent to the project area and potential mitigation measures will also be analyzed and documented. The following items will be included in the survey:

- Conduct scuba dives at identified sites (one in a relatively pristine area to act as a baseline, and one each at a minimum of 4 areas adjacent to "high use" centers such as fishing grounds, boat harbors, and recreational dive/snorkel spots) to survey the physical structures and biotic communities.
- Conduct a quantitative survey of fish community composition and species abundance along 50 meter transects at each identified site, oriented parallel to the depth contours. During the survey, the diver will identify, count and estimate sizes of all fish seen within a 3 meter (9.8 foot)-wide corridor centered along the transect line.
- Conduct a benthic survey to characterize bottom type and composition, benthic community structure and distribution. A 0.5-meter x 0.5-meter quadrat frame will be placed at ten randomly selected points along a 50-meter survey line at each identified site. Each quadrat frame will be fitted with four lengths of thin rope running lengthwise and four running crosswise to form 16 distinct points. The substrate type under each point will be identified and recorded on underwater slates or paper. Individual organisms >2 millimeters in size occurring within the quadrats will be identified and counted. Living stony corals will be identified to species. Colonial zoanthids and octocorals

will be recorded by the percent areal coverage of the colony rather than the number of individuals. Over sand bottoms, the number of invertebrate burrows will be recorded.

*Ocean and Coastal Activities Survey.* The ocean and coastal activities survey will be included in the study report and will include the results of research, interviews, and site reconnaissance to determine the uses of and potential impacts to the survey area. The following items will be included in the survey:

- Delineate the survey area to include harbors, beach access points, and other areas of medium or high use. Input from the PAC will be used to assist in delineating medium- and high-use areas.
- Conduct research and interviews with individuals and groups who utilize the resources in the survey area.
- Perform site reconnaissance to observe and record the various ocean activities within the survey area and estimate frequency of the activity.

This task will rely heavily on the strong background in biological fieldwork of Mr. Van Woerkom, Ms. Garcia, and Mr. Otsuka as well as the background in survey design and implementation of Ms. Mandina and Ms. Garcia. Dr. Stanton will provide assistance during the survey design portion of the fieldwork process. In addition, all relevant state boating safety and scientific diver requirements will be met.

### **Task 5 – Investigate Conflicts**

Under this Task, EI will develop a detailed and coordinated strategy to meet with individuals, community groups, and commercial ocean users of the Waianae Coast area. The involvement of the PAC will be crucial during this task. The preexisting "Gentlemen's Agreement" will be a starting point for discussion, with successes and failures of the agreement being analyzed to look for alternative solutions. Meetings will vary from individual, one-on-one information gathering meetings to larger focus-group forums. This Task will focus on identifying all major conflicts of the Waianae Coast ocean area, both present and possible future conflicts. Identified conflicts will be examined in detail to determine root causes and potential solutions. The PAC will help provide background and insight into root causes, and will be useful in forming a list of alternative solutions to each conflict. One potential alternative solution which should be examined in detail is the possibility of a self-regulating system where the community members are providing enforcement. The experimental ranger and volunteer enforcement officer programs will be examined and discussed.

Following the identification of major conflicts and investigation of causes and potential solutions, the various solutions will be pre-tested in focus group settings. Focus group forums will be used to introduce various potential solutions, gauge community and commercial group reactions, and determine likely success rates for the different solutions.

The broad experience in community group meetings, public hearings, and focus group interviews of Ms. Sakoda and Ms. Garcia will be key components of this task. In addition, Mr. Van Woerkom and Ms. Mandina will play strong supportive roles.

Progress Report 3, which summarizes the work completed to date, will be submitted upon the completion of Task 5.

### **Task 6 – Data Analysis**

Under this Task, EI will analyze the primary data collected under Task 4 of this study and incorporate the secondary data identified under Task 3 of this study. Data will be used to describe the environment in the vicinity of the study area, in terms of environmental, biological, economic, and social characteristics. Data will be summarized to form a baseline view of the study area as it exists today, with population and growth characteristics of the region integrated to form future scenario projections of the area as affected by various management schemes.

A portion of this task will involve GIS analysis and generation of additional GIS layers. Figures 1 and 2 show sample GIS layers that show coastal uses identified in the 1981 Oahu Resource Atlas. These layers were downloaded from the State of Hawaii DBEDT, segregated into individually identified use categories such as sailing, lobster hunting, and spearfishing, and overlain on a watershed boundary map. Data collected and analyzed during this task could be used to update some of the data contained in the 1981 Oahu Resource Atlas, and add additional data layers. Possible layers include water quality data, benthic habitat type, frequency of ocean recreation activity, and a comparison of recreational versus commercial uses by watershed or by beach access point.

### **Task 7 – Prepare Community-Building Projects**

Under this Task EI will continue to work with the stakeholders, both community residents and commercial users, to develop several detailed community-building projects. The PAC will also provide guidance and input. Some potential ideas include the following:

- Establish regular benthic monitoring transects and water quality testing stations, geared toward middle-school and high-school students. Hold several training sessions to teach local students how to collect the data and perform simple statistics. Compile the data into a simple database to be updated quarterly. If possible, integrate the data collection and reporting with existing programs, such as the Mauka-Makai watch.
- Organize a regular ocean and beach cleanup activity, to be spearheaded by commercial ocean users. Suggest ways for the commercial users to involve the public in the activity, such as free passage on the boat and free gear rental for

recreational SCUBA divers that assist in the cleanup, or a discount coupon for all participants.

- Hold a poster contest for K-12 grades in the Waianae schools geared toward ocean awareness. Select one winner from each grade, and create a calendar with each winning poster displayed on a month from the calendar. Secure funding for the printing of the calendar from commercial users of the area.

Wherever possible, EI will look for broad applicability of community-building projects with other state and federal programs identified in Task 2 of this study. For example, if funding is available from a different state program for projects that build educational awareness, EI will propose community-building projects that would also achieve the education awareness goal.

#### **Task 8 – Provide Draft Baseline Report to DOBOR & Other Stakeholders**

Under this Task, EI will submit the first complete draft of the Draft Baseline Report to the DOBOR Project Manager and other stakeholders as previously agreed upon for detailed review and comment. The draft report will address all requirements as set forth in the RFP, including but not limited to a detailed description of the cultural, environmental, social, and economic characteristics of the area, a summary of current and projected future uses of the area, an identification of major conflicts of the area, results of the stakeholder and focus groups meetings, proposed restrictions or limitations on ocean use or private recreational use as determined through previous tasks, and an evaluation of proposed alternatives. In addition, the draft report will include a detailed map of the area and applicable GIS figures that incorporate prior existing data and newly collected data compiled into layers.

The completion of this task will be enhanced by Ms. Sakoda's extensive background in preparing environmental assessments. She will be assisted by Ms. Mandina and Ms. Garcia.

Progress Report 4, including a summary of work completed to date, will be submitted upon completion of Task 8.

#### **Task 9 – Public Comment**

Under this Task, EI will schedule, reserve facilities for, and conduct multiple public meetings to attain public comment on the baseline study. Solicitation of public comment will follow a two-pronged approach:

- Developmental workshops will be held throughout the duration of the project. These workshops will focus on explaining the basics of the project, preliminary findings, and proposed alternatives while also soliciting input from the community. The workshops will target community groups, special interest



groups, ideally during their regularly scheduled meetings. PAC members will assist by identifying community and special interest groups that would likely be interested. EI would follow up by contacting the groups and scheduling presentations.

- Public meetings will be scheduled and conducted following the submittal of the draft study to DLNR DOBOR. These meetings will be advertised with adequate public notice, and will be conducted with all appropriate documentation. Public meetings will provide opportunity for public comment for a minimum of 30 days following submittal of the draft study.

The demonstrated experience of Ms. Sakoda, Ms. Garcia, Mr. Van Woerkom, and Ms. Mandina in high profile public involvement projects such as the Honolulu High Capacity Transit Corridor Project, as well as the management experience of Ms. Sakoda in a multitude of large-scale environmental assessments will be key components during this phase of the project.

#### **Task 10 – Final Draft and Final Baseline Report**

Under this Task, EI will first provide a revised draft baseline study that incorporates comments from DOBOR and comments from the public meetings. At this point the DOBOR will have a final chance to review and request changes. EI will incorporate any requested changes and submit the Final Baseline Environmental Study.

Figure 1. Coastal Resource Uses Kaena Point to Waianae

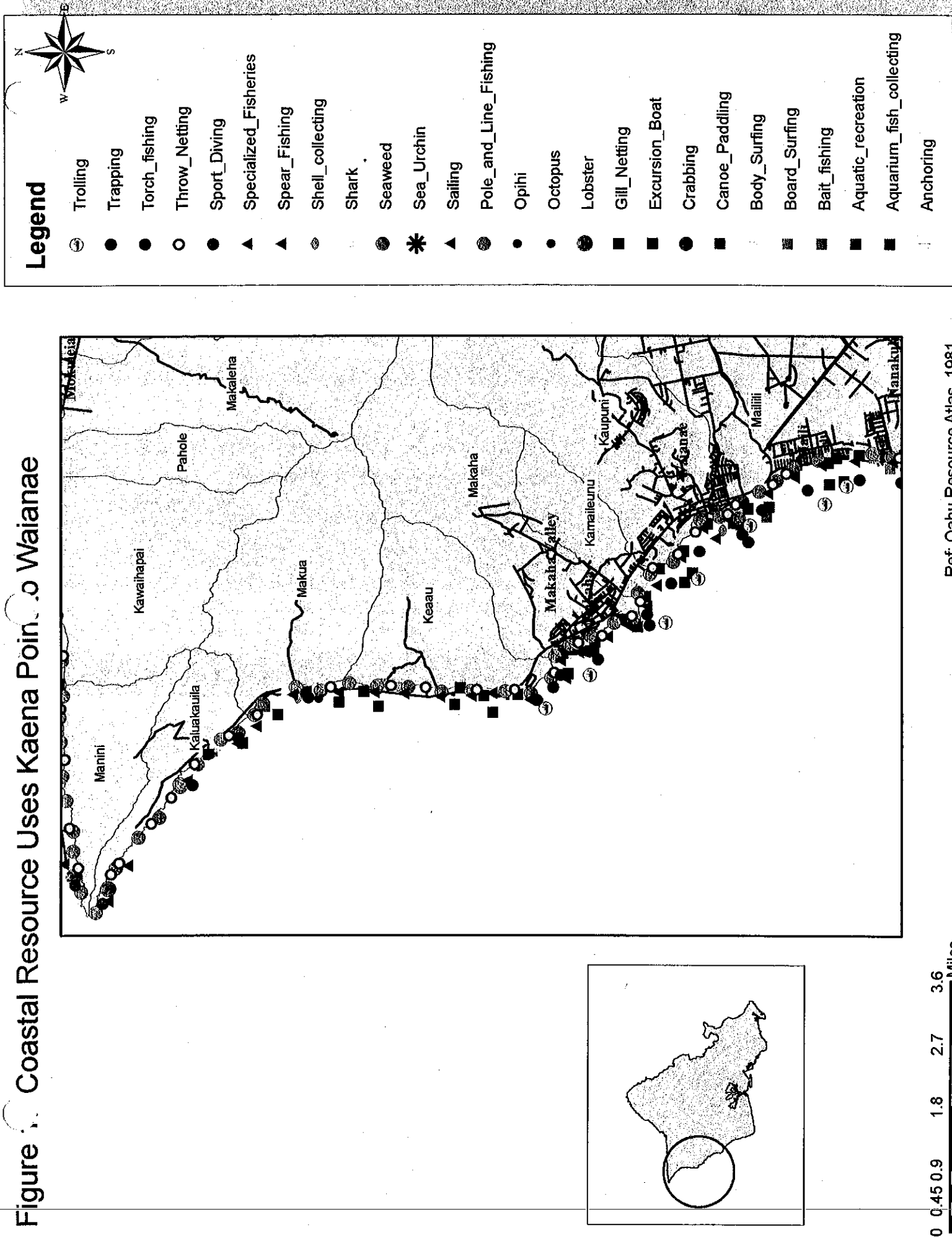
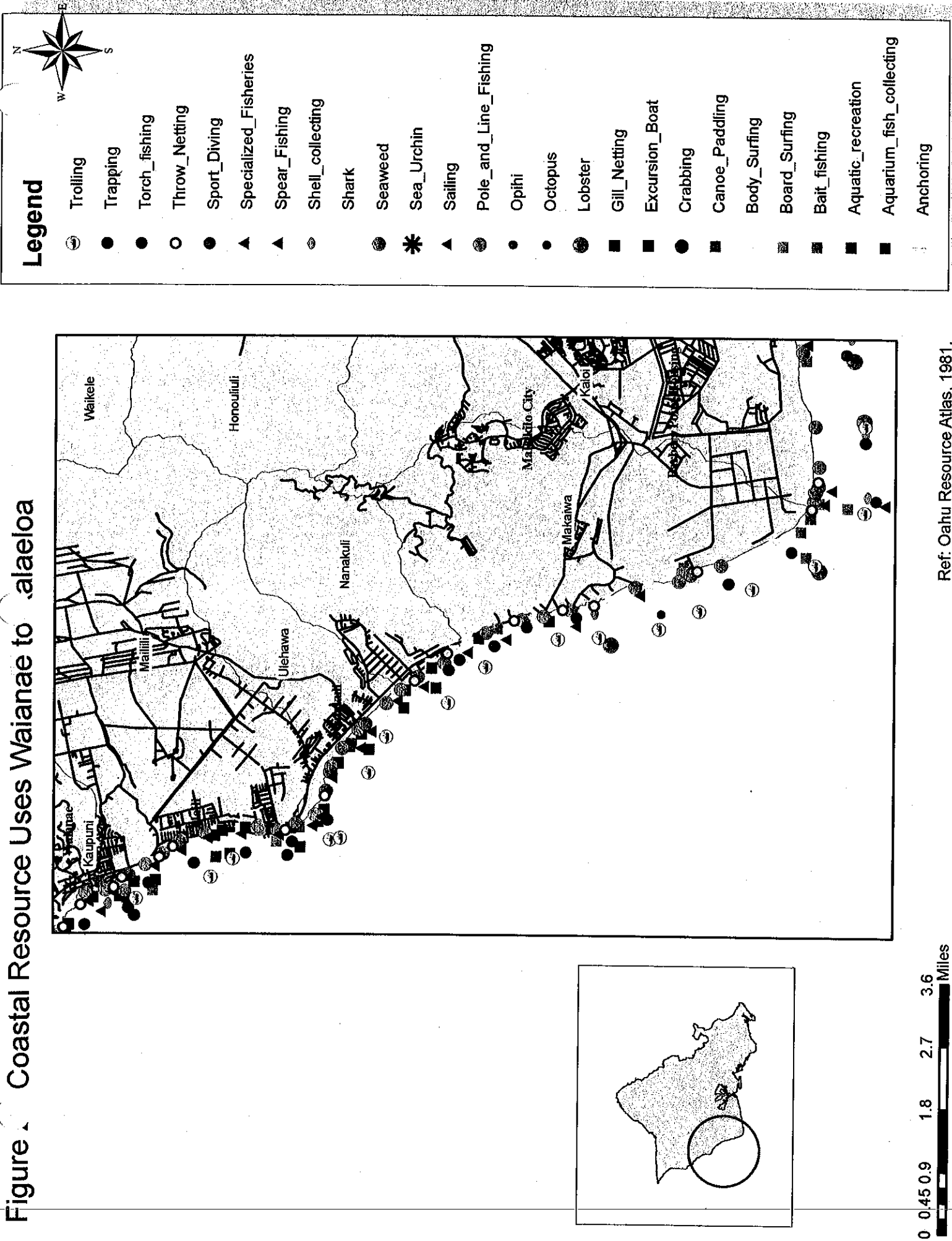


Figure 1. Coastal Resource Uses Waianae to Alaaloa



ID	Task Name	Duration	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
1	Task 1: Project Management, Setup and Coordination	10 days										
2	Progress Report 1	1 day	◆									
3	Invoice 1	1 day	○									
4	Task 2: Review of Act 6, Special Session Laws, Other State and Federal Programs	25 days										
5	Task 3: Gather Data from Current or Previous Studies	25 days										
6	Progress Report 2	1 day		◆								
7	Invoice 2	1 day		○								
8	Task 4: Primary Data Collection	50 days										
9	Task 5: Investigate Conflicts	40 days										
10	Progress Report 3	1 day					◆					
11	Invoice 3	1 day					○					
12	Task 6: Data Analysis	40 days										
13	Task 7: Prepare Community-Building Projects	50 days										
14	Task 8: Draft Baseline Report	60 days										
15	Progress Report 4	1 day							◆			
16	Invoice 4	1 day							○			
17	Task 9A: Developmental Workshops	110 days										
18	Task 9B: Public Comment Period	25 days										
19	Task 10: Final Report	20 days										
20	Invoice 5	1 day										○
Proposed Timeline Waianae Coast Baseline Environmental Study		Task		Rolled Up Task		External Tasks						
		Progress				Project Summary						
		Milestone	◆	◇		Group By Summary						
		Summary	▶	Split								

## **COST HOURS BREAKDOWN**

EI proposes to perform the above Scope of Work for a fee of \$118,824.03 (includes GET). This budget is a fixed fee amount. EI will invoice its services on predetermined progress payments contingent on the state's approval of specified deliverables of progress reports based on a schedule of deliverables. EI understands that if this proposal is accepted, a contract will be provided by the State of Hawaii.

The cost to perform the above scope of work can be broken down as follows:

<b><u>Scope of Work Item</u></b>	<b><u>Cost</u></b>
Meetings & Planning	\$ 3,900.00
Task 1 Project Management, Set up & Coordination	\$ 8,100.00
Task 2 Review Act 6, other State and Federal Programs	\$ 6,450.00
Task 3 Gather Data from Current/Previous Studies	\$ 7,050.00
Task 4 Primary Data Collection	\$ 29,790.00
Task 5 Investigate Conflicts	\$ 11,700.00
Task 6 Data Analysis	\$ 12,000.00
Task 7 Prepare Community-Building Projects	\$ 7,650.00
Task 8 Draft Baseline Report	\$ 13,950.00
Task 9 Public Comment	\$ 4,850.00
Task 10 Final Draft and Final Baseline Report	\$ 8,050.00
Subtotal (without tax)	\$ 113,490.00
GET	\$ 5,334.03
<b>TOTAL</b>	<b>\$ 118,824.03</b>

The proposed payment schedule is as follows:

<b><u>Deliverable</u></b>	<b><u>Payment</u></b>
Progress Report I	15%
Progress Report II	25%
Progress Report III	25%
Progress Report IV	25%
Final Study	10%

A detailed table with a breakdown of the work hours required under our proposed approach is attached at the end of this section. EI's associated rate sheet is attached at the end of this section.

EI is prepared to begin performing the above scope of work within two weeks of receiving your written authorization to proceed.